



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 485

Date Filmed 4/21/81 Camera No. --- 2

Cameraman JPC

FEDERAL ELECTION COMMISSION

Internal memos

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

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| <input type="checkbox"/> (3) Exempted by other statute | <input type="checkbox"/> (8) Banking Information |
| <input type="checkbox"/> (4) Trade secrets and commercial or financial information | <input type="checkbox"/> (9) Well Information (geographic or geophysical) |
| <input checked="" type="checkbox"/> (5) Internal Documents | |

Signed

date

[Signature]
3/23/81

FEC 9-21-77



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 19, 1981

Mr. Bruce L. Brown
725 Westmoreland
Lansing, Michigan 48915

Re: MUR 485(77)

Dear Mr. Brown:

On March 17, 1981, the Commission determined to take no further action in this matter. Accordingly, the file in this matter has been closed and will be made part of the public record within thirty days.

Sincerely,

A handwritten signature in dark ink, appearing to read "C. N. Steele", is written over the typed name.

Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

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Charles N. Steele
General Counsel

RB



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 19, 1981

Ms. Mary Meehan
Committee for a Constitutional
Presidency
23 2nd Street, N.E., #18
Washington, D.C. 20002

RE: MUR 485

Dear Ms. Meehan:

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Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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Committee for a Constitutional
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23 2nd Street, N.E., #18
Washington, D.C. 20002

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Charles N. Steele
General Counsel

KB



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 19, 1981

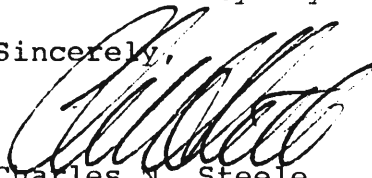
Mr. Shrikumar Poddar
2601 Cochise Lane
Okemos, Michigan 48864

Re: MUR 485(77)

Dear Mr. Poddar:

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Sincerely,



Charles N. Steele
General Counsel

cc: Kenneth A. Birch
301 M.A.C. Avenue
P-K Building
East Lansing, Michigan 48823



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

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2601 Cochise Lane
Okemos, Michigan 48864

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Charles N. Steele
General Counsel

cc: Kenneth A. Birch
301 M.A.C. Avenue
P-K Building
East Lansing, Michigan 48823

RB

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 485
Eugene McCarthy)	
Committee for a Constitutional)	
Presidency)	
McCarthy '76)	
Skrikumar Poddar)	
<u>The Washington Watch</u>)	
Educational Subscription Service)	
APP's Advertising Agency)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 17, 1981 the Commission decided by a vote of 4-0 to take the following actions regarding MUR 485:

1. CLOSE THE FILE with respect to all allegations in this matter.
2. Notify respondent and complainant.

Commissioners Harris, McGarry, Reiche and Tiernan voted affirmatively in this matter.

Attest:

3/17/81
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 3-12-81, 4:59
Circulated on 48 hour vote basis: 3-13-81, 2:00

March 12, 1981

MEMORANDUM TO: Marjorie W. Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached General Counsel's Report distributed to the Commission on a 48 hour tally basis.
Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Eugene McCarthy)
Committee for a Constitutional)
Presidency)
McCarthy '76) MUR 485
Shrikumar Poddar)
The Washington Watch)
Educational Subscription Service)
APP's Advertising Agency)

General Counsel's Report

BACKGROUND

This matter was initiated pursuant to a complaint filed on December 17, 1977. On February 15, 1978, the Commission found reason to believe that the following violations had occurred in this matter:

(1) Eugene McCarthy violated 2 U.S.C. § 441b(a) in connection with his knowing receipt of \$51,000 from The Washington Watch, a corporation;

(2) Mr. Shrikumar Poddar violated 2 U.S.C. § 441a(a) (1) (B) with respect to his personal loans and contributions, totalling approximately \$27,200, to the Committee for a Constitutional Presidency (CCP);

(3) The Washington Watch violated 2 U.S.C. § 441b(a) in connection with its loans totalling \$51,000 to Eugene McCarthy and its alleged contribution of in-kind services to the CCP;

(4) The Committee for a Constitutional Presidency violated 2 U.S.C. § 441b(a) in connection with its acceptance of, and

consultation with The Washington Watch, for, in-kind contributions in the form of services rendered by the Watch and its acceptance of in-kind corporate contributions in the form of services rendered by the Educational Subscription Service (ESS). The CCP also violated 2 U.S.C. § 441a(f) in connection with its knowing acceptance of in-kind contributions in the form of services rendered by APP's Advertising Agency which have not yet been paid for by the CCP;

(5) The Educational Subscription Service violated 2 U.S.C. § 441b(a) with respect to its extension of credit to the CCP that was not in the ordinary course of business;

(6) APP's Advertising Agency violated 2 U.S.C. § 441a(a) (1)(A) with respect to its contribution of services in excess of the individual contribution limitations.

In a General Counsel's Report dated August 23, 1978, it was recommended that the Commission take the following actions in this matter:

(1) Close the file with respect to all allegations in this matter except for Mr. Poddar's excessive loans and contributions to McCarthy's principal campaign committee and the acceptance of these monies by the McCarthy '76 Committee.

(2) Find reason to believe that Mr. Poddar violated 2 U.S.C. § 441a(a) (1)(A) with respect to \$175 of his loans and contributions to McCarthy '76 in excess of the individual contribution limitations; 1/

1/ Report said reasonable cause to believe but in fact the proposed finding would be reason to believe with respect to § 441a(a) (1)(A).

(3) Find reason to believe that the McCarthy '76 Committee violated 2 U.S.C. § 441a(f) with respect to its knowing acceptance of \$175 from Mr. Poddar in excess of the contribution limitations.

(4) Authorize a full audit of CCP and McCarthy '76.

On September 20, 1978, the Commission deferred taking any action in this matter except to authorize a full audit of CCP and McCarthy '76. The audit has been completed and this matter can now be considered.

ANALYSIS

A review of the audit reports of the CCP and McCarthy '76 dated November 13, 1979, and December 19, 1979, did not provide any additional information concerning allegations 1, 3, 4, 5, and 6. In the General Counsel's Report dated August 23, 1978, an extensive analysis was made with respect to these five allegations which concluded that the allegations in the complaint did not appear to be violations of the Act. Based on that analysis, it is the recommendation of this Office that the Commission close the file with respect to allegations 1, 3, 4, 5 and 6.

Excessive Contribution of Shrikumar Poddar

With regard to allegation 2, on February 15, 1978 the Commission found reason to believe that Shrikumar Poddar violated the contribution limits of 2 U.S.C. § 441a(a)(1)(B). The Audit Division has determined that Mr. Poddar made contributions to CCP totalling \$20,000 and to

McCarthy '76 and affiliated committees totalling \$1,975. The audit report failed to take into account a \$200 loan made on October 20, 1976, that apparently did not go through the Committee's account, but instead was held as a deposit by the telephone company. Thus, Mr. Poddar contributed \$2,175 to McCarthy '76 and affiliated committees between November 5, 1975, and October 25, 1976. See Schedule A attached. In order to proceed against Mr. Poddar for a violation of 2 U.S.C. § 441a(a)(1)(B), the Commission must make a determination that CCP is not a national party committee of a political party permitted to accept contributions from individuals not in excess of \$20,000.

A formal determination of CCP's status has heretofore never been made. On September 3, 1976, the CCP made a request for an advisory opinion (Attachment I). This request presented several questions involving Mr. McCarthy's eligibility for public funding and the status of the C.C.P./McCarthy '76 under the Act including whether:

the Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may receive contributions from persons and committees of up to \$20,000 and \$15,000 respectively in accordance with Chapter 14, Sections 441a(a)(1)(B) and 441a(a)(2)(B).

On November 26, 1976, (AOR 1976-81) (Attachment II) the Commission responded to the request by stating that the request was moot and by stating that:

...the issue of whether the Committee may be treated as a national committee for a political party does not require a response at this time

since there is no indication that it anticipates engaging in activities which are traditionally conducted by political party organizations. 2/

On September 1, 1976, two days before the advisory opinion request, Eugene McCarthy withdrew his authorization of the CCP - McCarthy '76 as his principal campaign committee. The CCP - McCarthy '76 Committee was subsequently split, the CCP claiming a national party committee status and the McCarthy '76 Committee, being declared the designated principal campaign committee of the McCarthy campaign. 3/ Since this date the CCP has consistently maintained that it is a national party committee and indicated such in its October 10, 1976 report to the FEC as well as in its response to this complaint. Moreover, the CCP and McCarthy '76 have filed separate reports to the Commission since September, 1976 in accordance with Section 434. 4/

A \$15,000 loan from Mr. Poddar was made to the CCP (and received by wire transfer) on September 2, 1976 -- one day after McCarthy's withdrawal of authorization and one day before the advisory opinion request. Because of the amount of the loan and its timing, it appears that Mr. Poddar made the loan in the belief that the CCP had attained national party committee

2/ This response referred the CCP to Advisory Opinions 1976-95 and 1976-129 in connection with activities of national party organizations.

3/ The by-laws of the CCP were never amended to reflect this change, see former 2 U.S.C. § 431(k).

4/ It is clear that the CCP and Mr. McCarthy have complied with the provisions of section 433(c) of Title 2 requiring notification of any changes in the statement of organization of any political committee. The proposed advisory opinion to AOR 1976-81 suggested that "...compliance with this provision will satisfy the Commission as to the propriety of designating the Committee for a Constitutional Presidency as a political party committee and designating McCarthy '76 as the principal campaign committee."

status at that time. In addition, on September 16, 1976, Mr. Poddar loaned CCP an additional \$5,000. Thus, Mr. Poddar contributed \$20,000 to CCP, the allowable limit set by 2 U.S.C. § 441a(a)(1)(B) if CCP attained the status of a national committee of a political party.

The issue confronting the Commission is whether CCP was a political committee established and maintained by a national political party at the time Mr. Poddar's made his contribution. The Act defined "national committee" as "the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission," former 2 U.S.C. § 431(k)(1976).

Over the years, the Commission by the issuance of advisory opinions, has explained the definitional criteria used to determine whether or not an organization qualifies as a "national committee."

Those opinions required that beyond the mere bylaws, an organization must demonstrate that it operates at the national level by nominating candidates for various Federal offices in numerous states; by engaging in such activities on an ongoing basis, rather than with respect to a particular election, as supporting voter registration and get-out-the-vote drives, providing speakers, organizing volunteer workers; and by publicizing issues of importance to the party and its adherents throughout the United States. Other indicia include holding a national convention and the establishment of State affiliates of the national political party. See Advisory Opinions 1980-3, 1978-58, 1976-95, 1975-129. A.O. 1980-131 at 3, 4.

At this time, it would be difficult to analyze the various activities undertaken by CCP to determine whether or not it qualifies as a national committee in that the activity in question occurred four years ago. The Commission cannot be certain that it has all the information necessary to make a determination. Even if the Commission had all the necessary information, the Commission would need to analyze the various indicia of national committee status in the context of the law as it stood in 1976. This may prove difficult in that the Commission has significantly developed its definition of national committee of a political party in subsequent advisory opinions. See Advisory Opinions 1980-131, 1980-96, 1980-3 and 1978-58. Thus, it is the recommendation of the Office of General Counsel that the Commission not endeavor to resolve the status of CCP in the context of this enforcement action.

A second issue confronting the Commission is what action should be taken concerning a possible violation of 2 U.S.C. § 441a(a)(1)(A). Excluding the \$20,000 in loans made to CCP discussed above, respondent made the following contributions:

\$ 25	11/5/75 to CCP
1,000	2/1/76 to CCP
750	10/5/76 to McCarthy '76 - Wisconsin 2d Dist.
200	10/20/76 to McCarthy '76
200	10/26/76 to McCarthy '76 - Michigan (Lansing Area)

These five contributions totalled \$2,175. Of the primary election is determined to be the date of the last major party primary election, see 11 C.F.R. § 100.2(c)(4)(ii), then Mr. Poddar exceeded the con-

tribution limitations of 2 U.S.C. § 441a(a)(1)(A) for the primary election by \$25. In addition, Mr. Poddar would have exceeded the contribution limitation with respect to the general election by \$150.

Table 1

In 1976, the Republican party held their nominating convention in August. Thus, any contribution made prior to August would be counted toward the primary election, and contributions after August would be counted toward the general election as follows.

Primary	General
25	750
<u>1000</u>	<u>200</u>
1025	200
	1,150

If the primary election is determined to be the date of the nomination of Mr. McCarthy by CCP (October 26, 1976), see 11 C.F.R. § 100.2(c)(4)(iii), then all of Mr. Poddar's contributions would be attributed to the primary election resulting in \$1,175 in excess of the contribution limitations. However, it should be noted that the Regulations promulgated in 1980 permit the candidate to designate contributions received before the primary to be used in connection with the general election. 11 C.F.R. § 102.9(e). Therefore, even if the CCP is not a national party, the respondent violated 2 U.S.C. § 441a(a)(1)(a), by making contributions \$175 in excess of the limit. (\$2,175 - \$2,000 = \$175).


It is the recommendation of the Office of General Counsel that because of the small amount of the excessive contribution

involved in this matter coupled with the fact that this violation occurred over four years ago, the Commission take no further action in this matter and close the file. 5/

Recommendation

1. Close the file with respect to all allegations in this matter.
2. Notify respondent and complainant.

12 March 1981
Date


Charles N. Steele
General Counsel

Attachments

- Letter to John G. Murphy dated 9/3/76 - I
- Letter to Mary Meehan dated 11/26/76 - II
- Attachment IV Findings A and B of Audit Report - III
- Proposed Letters (3)

- 5/ In addition to matters relevant to MUR 485, the auditors noted other possible violations of the Act. See Findings A and B of Audit Report of the CCP/McCarthy '76. Findings under section A are possible violations if CCP is determined to be a national party committee. Findings under section B are possible violations if CCP is determined not to be a national party committee. Inasmuch as this Office recommends that the Commission make no determination at this time with respect to the status of CCP for the reasons outlined above, it is the further recommendation of this Office that the Commission take no further action with respect to the audit findings in A and B. (See Attachment III.)

MC CARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

76 SEP 7 P2:18

September 3, 1976

OPINION REQUEST

750

762036

Mr. John G. Murphy, Jr.
General Counsel
4th Floor
Federal Election Commission
1325 K St, N.W.
Washington, D.C. 20463

Dear Sir:

Pursuant to Section 437(f) of the Federal Election Campaigns Act, we request an advisory opinion on the following matters.

THE FACTS:

1. Former Senator Eugene J. McCarthy is an independent candidate for President of the United States with a principal authorized campaign committee known as the Committee for a Constitutional Presidency-McCarthy '76.
2. Senator McCarthy is presently on the ballot in more than 10 states.
3. Senator McCarthy's expenditures from personal funds in connection with his general election campaign are presently not in excess of \$50,000.

THE ISSUES IN QUESTION:

1. Clarification of Eligibility for Public Financing Under the Presidential Election Campaign Fund Act.

Officers: Alice Mahoney (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Meehan (Maryland), Treasurer, National Finance Committee: Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan).

Attachment I

Guided by the language of the Supreme Court in Buckley v. Valeo, 424 U.S. 1 at 81, which noted the constitutional difficulties that might arise by excluding a candidate from public financing of qualified campaign expenses solely because such candidate lacked affiliation with a "political party" (Storer v. Brown, 415 U.S. 724, 745-6), and the remark by the Court of Appeals of the possibility of construing the Presidential Election Campaign Fund Act as affording financial assistance to independent candidates (Buckley v. Valeo, 519 F. 2d, at 887), Senator McCarthy and his principal authorized campaign committee expect to receive public financing for qualified general election campaign expenses.

For the purposes of the Presidential Election Campaign Fund Act (Title 26, Chapter 95 of the U.S. Code) and the Federal Election Campaign Act (Title 2, Chapter 14 of the U.S. Code) will the Commission confirm:

- A. that the Committee for a Constitutional Presidency-McCarthy '76 is to be treated as a "political party".
- B. that Senator McCarthy is to be treated as a "candidate of a political party" in accordance with Chapter 95, Section 9002 (2)(B).
- C. that upon compliance with the conditions for eligibility of Chapter 95, Sections 9003 and 9004, Senator McCarthy and his principal authorized campaign committee will be entitled to receive post-election payments for qualified general election campaign expenses.

- D. that the limitation prescribed in Chapter 95, Section 9004(d), holding campaign expenditures from personal funds by candidates to an aggregate of \$50,000, did not commence running until August 20, 1976, the day after the official closing of the Republican Party Convention in Kansas City, and that personal expenditures made by Senator McCarthy before that date need not be applied to the limit.
2. Clarification of the Rights and Duties of the Committee for a Constitutional Presidency-McCarthy '76 Under Chapter 95 and Chapter 14.

As we believe that the Committee for a Constitutional Presidency-McCarthy '76 should be treated as a "political party" for the purposes of Chapter 95 and Chapter 14, it will stand in the dual position of "political party" and "principal campaign committee". We believe that such a hybrid nature may cause confusion as to the rights and duties of the Committee under both Chapters. Will the Commission comment on the following:

- A. To effectively cure difficulties arising out of the dual role of the single committee, Senator McCarthy has withdrawn authorization as his principal campaign committee from the Committee for a Constitutional Presidency-McCarthy '76 and will vest that authorization in a separate entity known as McCarthy '76. The separate Committee for a Constitutional Presidency will be treated as the "political party" of which Senator McCarthy is the presidential candidate

and will name the organization located at 1440 N Street, N.W. Washington, D.C. 20005 as its "national committee". The separate McCarthy '76 will be treated as the "principal campaign committee".

- B. The fact that the Committee for a Constitutional Presidency and McCarthy '76 may share the same offices and some personnel will not affect the separate character of the two organizations as they will maintain separate charters, officers, depositories, books, and individually comply with reporting requirements.
- C. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may receive contributions from persons and committees of up to \$20,000 and \$15,000 respectively in accordance with Chapter 14, Sections 441a(a)(1)(B) and 441a(a)(2)(B).
- D. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may make expenditures in connection with the general election campaign of Senator McCarthy in accordance with Chapter 14, Section 441a (d)(2).
- E. McCarthy '76, being treated as the "principal campaign committee", may receive contributions from persons and committees of up to \$1,000 and \$5,000 respectively in

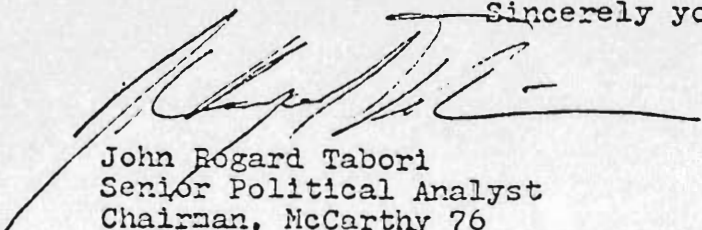
accordance with Chapter 14, Sections 441a(a)(1)(A) and 441a(a)(2)(A).


F. McCarthy '76, being treated as the "principal campaign committee", may make expenditures in connection with the general election campaign of Senator McCarthy of up to \$21,800,000 in accordance with Chapters 14, Sections 441a(b)(1)(B) and 441a(c).

G. All qualified campaign debts made by the Committee for a Constitutional Presidency-McCarthy '76, between August 20, 1976 and the date of withdrawal of authorization, are to be considered as made by the candidate and his principal authorized campaign committee and are thus eligible for public financing under Chapter 95; all future debts made by the Committee for a Constitutional Presidency are to be considered made by the "political party" and all future debts made by McCarthy '76 are to be considered made by the "principal campaign committee".

Since these matters are of vital importance to Senator McCarthy and to the ability of the campaign to carry forward, we would appreciate it if the Commission could see its way to expediting its answer to these questions.

Sincerely yours,


John Bogard Tabori
Senior Political Analyst
Chairman, McCarthy 76


Mary Meehan
National Director of
State Organizations
Treasurer, Committee for
a Constitutional Presidency

E
N



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

November 26, 1976

Re: AOR 1976-81

Ms. Mary Meehan
Mr. John Tabori
McCarthy '76
1440 N Street, N.W.
Washington, D. C. 20005

Dear Ms. Meehan and Mr. Tabori:

This refers to your letter dated September 3, 1976, requesting an advisory opinion on behalf of Mr. Eugene J. McCarthy. Your request presented several questions involving Mr. McCarthy's eligibility for public funding under Title 26 of the United States Code and the status of the Committee for a Constitutional Presidency-McCarthy '76 under the Federal Election Campaign Act of 1971, as amended.

The issues raised in the request are now moot since Mr. McCarthy did not receive five percent or more of the popular vote received by all presidential candidates in the recent election. Furthermore, the issue of whether the Committee may be treated as a national committee of a political party does not require a response at this time since there is no indication that it anticipates engaging in activities which are traditionally conducted by political party organizations. See in this connection Advisory Opinion 1976-95 recently issued by the Commission to the Liberal Party of New York; also see Advisory Opinion 1975-129 in which the Commission concluded on the basis of specifically described activities that the National Committee of the Libertarian Party was the national committee of a political party (copies enclosed).

Accordingly, we propose to take no further action on your request. This letter has been brought to the attention of the Commission which has not objected to its release.

Sincerely yours,

N. Bradley Litchfield
Assistant General Counsel

Enclosures





FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 13, 1979

MEMORANDUM

TO: CHARLES STEELE
ACTING GENERAL COUNSEL

THROUGH: ORLANDO B. POTTER
STAFF DIRECTOR


FROM: BOB COSTA *AC*

SUBJECT: AUDITS OF THE COMMITTEE FOR A CONSTITUTIONAL
PRESIDENCY AND MCCARTHY '76

During the audits of the above committees matters were noted which are being referred to your office for possible MUR treatment.

The audits covered the period from January 1, 1975, through September 30, 1978, the coverage date of the latest reports filed by the Committees at the time of the audits.

The Committee for a Constitutional Presidency (CCP) registered with the United States General Accounting Office on August 15, 1974. On January 22, 1975, CCP amended its statement of organization to change its name (effective 1-12-75) to the Committee for a Constitutional Presidency/McCarthy '76 (CCP/McCarthy '76), and named Senator Eugene J. McCarthy as its candidate for the office of President of the United States. CCP/McCarthy '76 functioned as Senator McCarthy's (the candidate) principal campaign committee through August 31, 1976. According to the General Counsel's report, the candidate withdrew his authorization of CCP/McCarthy '76 as his principal campaign committee on September 1, 1976.

Attachment 

On September 7, 1976, Committee officials submitted an advisory opinion request (AOR) asking the Commission to comment on its desire to split CCP/McCarthy '76 into separate committees, in order for CCP to function as a political party and McCarthy '76 to function as the candidate's principal campaign committee. On October 4, 1976, the Candidate designated McCarthy '76 as his principal campaign committee.

On November 26, 1976, the Commission in response to the AOR stated:

"... the issue of whether the Committee may be treated as a national committee of a political party does not require a response at this time since there is no indication that it anticipates engaging in activities which are traditionally conducted by political party organizations."

However, since September 1, 1976, CCP has maintained that it is a national party committee and indicated such in its October 10, 1976, disclosure report. The report covered the period from September 1, 1976, through September 30, 1976, and included the financial activity (cash on hand, debts, etc.) of the dissolved CCP/McCarthy '76. McCarthy '76 also filed its initial disclosure report (\$ -0- in beginning cash, no debts) as of September 1, 1976.

Since the CCP has been operating as a national party and the Commission has not made a final determination on the status (national party committee vs. principal campaign committee) of CCP, the Audit Division is unable to make final recommendations concerning the matters listed in A and B below.

A. If CCP is determined to be a national party committee, the following violations have occurred:

1. Excessive Contributions Made by CCP

Section 441a(a)(1)(A) of Title 2 of the United States Code states, that no person shall made contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Section 431(h) of Title 2 of the United States Code defines, in part, a person as an individual, partnership, committee, association, and any other organization or group of persons.

The final report filed by CCP/McCarthy '76 (through 8-31-76) disclosed \$48,385.40 in outstanding debts owed by CCP/McCarthy '76. However, due to reporting errors, CCP/McCarthy '76 failed to disclose eight (8) additional debts, totaling \$15,178.59 and overstated the balance of one (1) debt by \$217.65. Therefore, debts outstanding as of August 31, 1976, totaled approximately \$63,346.34. 1/

As previously stated, CCP's initial report (9-1-76/9-30-76) continued with the disclosure of the financial activity of the dissolved CCP/McCarthy '76, debts included. Therefore, it is our opinion that the assumption of the debts by CCP represents an in-kind contribution to either the dissolved CCP/McCarthy '76 or the current principal campaign committee, McCarthy '76.

Additionally, on September 7, 1976, CCP transferred \$1,502 to the McCarthy '76 New York 6th CD, an authorized state committee.

A national party committee, without multi-candidate status, can only contribute \$1,000 per candidate, per election. 2/ CCP's contributions to the candidate's principal campaign committee and authorized committee totaled \$64,848.34 (\$63,346.34 + \$1,502), which exceed the appropriate limitation by \$63,848.34.

2. Excessive Contributions Received by CCP

Section 441a(a)(1)(B) of Title 2 of the United States Code states, in part, that no person shall make contributions to the political committee established and maintained by a national political party which are not the authorized political committee of any candidate, in any calendar year which, in the aggregate exceed \$20,000.

1/ Included in this figure are loans from the candidate totaling \$50,000.

2/ On October 26, 1976, CCP established the primary election date by nominating Senator Eugene McCarthy.

For the period September 6, 1976 through November 11, 1976, CCP reported \$25,000 in loans received from the candidate. When advised that the loans were \$5,000 in excess of the appropriate limitation, the treasurer stated that she was not aware that such limitations applied to a candidate.

It is our opinion that CCP has violated Sections 441a(a)(1)(A) and (B) and 441a(f) by making and receiving contributions in excess of the applicable limitations.

- B. If CCP is determined not to be a national party committee, the following violation exist:

Excessive Contributions Received by CCP

Section 441a(a)(1)(A) of Title 2 of the United States Code states that no person shall make contributions to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

During the course of the audit, it was determined that 13 individuals each contributed in excess of the applicable limitation. The excessive portions of the contributions totaled \$50,901.09. 3/ Committee officials contend that CCP is a national party committee and therefore, it is permissible to accept contributions up to \$20,000 from an individual per calendar year.

It is our opinion that the Committee has violated Sections 441a(a)(1)(A) and 441a(f) by accepting contributions in excess of the applicable limitation.

3/ Includes excessive contributions from Shrikumar Poddar (respondent in MUR 485) totaling \$20,975 (\$21,975 - \$1,000 allowable). However, \$1,975 was contributed to McCarthy '76 and affiliated committees prior to the primary election. Therefore, even if CCP is determined to be a national party committee, Mr. Poddar's contributions exceed a contributor's primary election limitation by \$975.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mr. Bruce L. Brown
725 Westmoreland
Lansing, Michigan 48915

Re: MUR 485(77)

Dear Mr. Brown:

On , 1980, the Commission determined to take no further action in this matter. Accordingly, the file in this matter has been closed and will be made part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ms. Mary Meehan
Committee for a Constitutional
Presidency
23 2nd Street, N.E., #18
Washington, D.C. 20002

Re: MUR 485

Dear Ms. Meehan:

On , 1980, the Commission determined to
take no further action in this matter. Accordingly, the
file in this matter has been closed and will be made part
of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mr. Shrikumar Poddar
2601 Cochise Lane
Okemos, Michigan 48864

Re: MUR 485(77)

Dear Mr. Poddar:

On , 1980, the Commission determined to take no further action in this matter. Accordingly, the file in this matter has been closed and will be made part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

cc: Kenneth A. Birch
301 W.A.C. Avenue
P-K Building
East Lansing, Michigan 48823



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*

DATE: OCTOBER 1, 1980

SUBJECT: MUR 485 - Interim Investigative Report #3,
dated 9-26-80; Signed 9-29-80; Received
in OCS 9-29-80, 4:58

The above-named document was circulated to the Commission on a no-objection basis at 11:00, September 30, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline; however, Commissioner Reiche submitted a comment. A copy of his vote sheet is attached.

BEFORE THE FEDERAL ELECTION COMMISSION
September 26, 1980

In the Matter of

80 SEP 29 P 4: 58

McCarthy '76
Committee for a Constitutional
Presidency

MUR 485

INTERIM INVESTIGATIVE REPORT #3

A General Counsel's report for this matter has been drafted. Inasmuch as the issues addressed in the report are relevant to the 1980 presidential campaign of John Anderson and other independent, minor or new party candidates, the report is undergoing careful review so as to remain consistent with the Commission's recent determinations concerning these candidates. After this review, the report will be immediately forwarded to the Commission.

29 Sept 1980
Date


Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: CHARLES STEELE *MDC*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*
DATE: JULY 9, 1980
SUBJECT: MURs 421/485 - Interim Investigative Report #2,
dated 7-3-80: Received in OCS 7-8-80, 10:01

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 4:00, July 8, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline.

July 8, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Jane Colgrove
SUBJECT: MEH 421/485

Please have the attached Interim Investigative
Report on MUR 421/485 distributed to the Commission on a
24 hour no-objection basis.

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

80 JUL 8 410: 01

In the Matter of)	
)	
Eugene McCarthy)	
Committee for a Constitutional)	MUR 421 (77)
Presidency)	485 (77)
McCarthy '76)	
Shrikumar Poddar)	
The Washington Watch)	
Educational Subscription)	
Service)	
APP's Advertising Agency)	

INTERIM INVESTIGATIVE REPORT #2

On August 25, 1977, the Commission found probable cause to believe that McCarthy '76 violated 2 U.S.C. § 432(e)(3) by failing to file "at the very least a consolidated 1976 year-end report and a 1977 first quarter report..." (General Counsel's Report August 18, 1977).

On February 15, 1978, the Commission found reason to believe that Mr. Shrikumar Poddar and his three businesses, The Washington, Watch, Educational Subscription Service and APP's Advertising Agency, made a series of illegal campaign contributions to the 1976 Presidential campaign of Eugene McCarthy and that Mr. McCarthy and the Committee for a Constitutional Presidency accepted these contributions knowing that they were either in excess contribution limitations or were illegal corporate contributions.

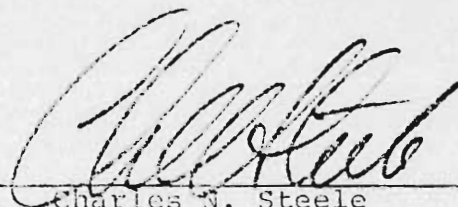
On September 20, 1978, the Commission voted to defer any further action on these MURs until after a complete audit

Interim Investigative Report #2
Page Two

of the C.C.P., McCarthy '76 and twelve authorized committees. The Audit Division had mixed results in its attempt to audit the authorized committees. Audit Reports for those audits the Audit Division undertook were completed by the end of 1979.

At this time this Office is re-evaluating whether the Commission should proceed with its lawsuit in MUR 421, and whether there are any substantive violations in MUR 485. This review and evaluation should be complete in three weeks.

3 July 1980
date



Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO CHARLES STEELE *mul*
FROM: MARJORIE W. ENMONS
DATE: JUNE 4, 1979
SUBJECT: MUR 421 (77) & MUR 495 (77) - Interim
 Investigative Report dated 5-31-79:
 Received in OCS 6-1-79, 7:40

The above-named document was circulated on a 24
hour no-objection basis at 11:45, June 1, 1979.

The Commission Secretary's Office has received
no objections to the Interim Investigative Report as
of 12:00 this date.

May 31, 1979

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MURs 421 and 485

Please have the attached Interim Invest Report
on MURs 421 and 485 distributed to the Commission.

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Eugene McCarthy)
Committee for a Constitutional) MUR 421 (77)
Presidency) 485 (77)
McCarthy '76)
Shrikumar Poddar)
The Washington Watch)
Educational Subscription)
Service)
APP's Advertising Agency)

70 JUN 1 A7:40

INTERIM INVESTIGATIVE REPORT

On August 25, 1977, the Commission found probable cause to believe that McCarthy '76 violated 2 U.S.C. § 432(e)(3) by failing to file "at the very least a consolidated 1976 year-end report and a 1977 first quarter report..." (General Counsel's Report August 18, 1977).

On February 15, 1978, the Commission found reason to believe that Mr. Shrikumar Poddar and his three businesses, The Washington Watch, Educational Subscription Service and APP's Advertising Agency, made a series of illegal campaign contributions to the 1976 Presidential campaign of Eugene McCarthy and that Mr. McCarthy and the Committee for a Constitutional Presidency accepted these contributions knowing that they were either in excess of the contribution limitations or were illegal corporate contributions.

On September 20, 1978, the Commission voted to defer any further action on these MURs until after a complete audit

of the C.C.P., McCarthy '76 and twelve authorized committees. At this time the auditors inform us that they have completed an audit of the C.C.P. and McCarthy '76 and two of the authorized committees. The remainder of the audits are to be completed by August. Upon completion of these audits, we will review the audit report and make the appropriate recommendations.

5/31/79
Date


William C. Oldaker
General Counsel

RECEIVED

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

23 - 2nd STREET, NE, #18
WASHINGTON, D.C. 20002

74/78
MAY 27 PM 12:33

May 22, 1980

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

000161

Re: MUR 485

Dear Mr. Steele:

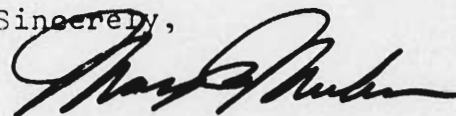
In February of 1978, our committee and others were notified by the Commission that it had received a complaint against us related to the 1976 election campaign. The Commission asked us to respond to the complaint.

We responded at length and provided evidence disproving the allegations in the complaint. We also cooperated with the Commission in its lengthy investigation. Two years after the complaint was filed, and nearly four years after the 1976 campaign, the Commission has not yet resolved this matter.

We believe that we have answered satisfactorily all allegations in the complaint. Moreover, we note that the allegations in this MUR deal with events and transactions which occurred on or before November, 1976. Hence it appears that Section 455 of the FECA is applicable.

In view of all this, we request that the Commission determine that it has no reason to believe that any of the respondents are in violation of the law and that it close the file on this long-standing complaint.

Sincerely,



Mary Meehan, Treasurer

cc: James E. Ostmann, Esq.

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J



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

Mr. George R. Laney, Treasurer
McCarthy '76
1420 N Street, N.W.
Washington, D.C. 20005

Dear Mr. Laney:

The Commission wishes to advise you that the McCarthy '76 Committee and its affiliated committees have been selected for audit pursuant to the Commission's Audit policy, and in order to assist in the resolutions of MUR's 421 and 485. The audit will be conducted under the authority of Section 438 (a) (8) and 437(g) of Title 2 of the United States Code and will cover the period January 1, 1975 through the last report filed by the Committee.

A member of the Commission audit staff will contact you within a few days by telephone to agree upon a date to begin the audit. If your Committee should be unable to provide convenient work space for three auditors, the staff person will arrange for adequate work space at Commission expense. All financial records, including bank statements, together with deposit slips and cancelled checks, contribution records, invoices or receipted bills, journals and/or ledgers maintained by the Committee, as well as the Committee's solicitation materials, brochures and other publications should be available for inspection when the audit begins.

Should you have any questions concerning any of the matters discussed above, please do not hesitate to contact Mr. Raymond Lisi or Mr. Thomas Nurthen at (202) 523-4155.

Sincerely,

Robert Costa
Assistant Staff Director
for the Audit Division

CERTIFIED MAIL
RETURN RECEIPT REQUESTED





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

Ms. Mary Meehan, Treasurer
Committee for a Constitutional
Presidency
1420 N Street, N.W.
Washington, D. C. 20005

Dear Ms. Meehan:

The Commission wishes to advise you that the Committee for a Constitutional Presidency and its affiliated committees have been selected for audit pursuant to the Commission's Audit policy, and in order to assist in the resolution of MUR's 421 and 485. The audit will be conducted under the authority of Section 438(a)(8) and 437(g) of Title 2 of the United States Code and will cover the period January 1, 1975 through the last report filed by the Committee.

A member of the Commission audit staff will contact you within a few days by telephone to agree upon a date to begin the audit. If your Committee should be unable to provide convenient work space for three auditors, the staff person will arrange for adequate work space at Commission expense. All financial records, including bank statements, together with deposit slips and cancelled checks, contribution records, invoices or receipted bills, journals and/or ledgers maintained by the Committee, as well as the Committee's solicitation materials, brochures and other publications should be available for inspection when the audit begins.

Should you have any questions concerning any of the matters discussed above, please do not hesitate to contact Mr. Raymond Lisi or Mr. Thomas Nurthen at (202) 523-4155.

Sincerely,

Robert Costa
Assistant Staff Director
for the Audit Division

CERTIFIED MAIL
RETURN RECEIPT REQUESTED





FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

September 21, 1978

Memorandum to:
Through:
From:
Re:

Bob Costa
Orlando Potter
William Oldaker
McCarthy Audit

See

Pursuant to the Commission action taken on September 20, 1978, I am referring MURS 421 and 485 to the audit division.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Eugene McCarthy)
Committee for a Constitutional)
Presidency)
McCarthy '76)
Shrikumar Poddar)
The Washington Watch)
Educational Subscription Service)
APP's Advertising Agency)

MUR 485

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on September 20, 1978, the Commission determined by a vote of 6-0 to take the following actions in the above-captioned matter:

1. Adopt the recommendation of the General Counsel to authorize a full audit of CCP and McCarthy '76.
2. Defer action on the other recommendations in the General Counsel's Report dated August 23, 1978, until a full audit of CCP and McCarthy '76 had been completed.

Attest:


Marjorie W. Emmons
Secretary to the Commission

Original certification issued 9/20/78

Amended Certification 9/26/78



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

September 19, 1978

Memorandum To: The Commission

From: William C. Gidaker *W.C. Gidaker*

Re: Correction in MUR 485 General Counsel's Report

On page 8 paragraph two of the report it is
stated:

The CCP - McCarthy '76 Committee was
subsequently split, the CCP becoming
the designated principle campaign
committee of the McCarthy campaign.

This line should read:

The CCP - McCarthy '76 Committee was
subsequently split, the CCP becoming
a 'national party committee' and
McCarthy '76 becoming the designated
principal campaign committee of the
McCarthy campaign.

BEFORE THE FEDERAL ELECTION COMMISSION
August 23, 1978

In the Matter of:)	
)	
Eugene McCarthy)	MUR 485
Committee for a Constitutional)	
Presidency)	
McCarthy '76)	
Shrikumar Poddar)	
<u>The Washington Watch</u>)	
Educational Subscription)	
Service)	
APP's Advertising Agency)	

General Counsel's Report

I. Summary

This matter was initiated pursuant to a complaint filed on December 17, 1977, by Mr. Bruce Brown, a former employee of The Washington Watch and the Educational Subscription Service. The substance of the complaint alleged that Mr. Shrikumar Poddar and his three businesses, The Washington Watch, Educational Subscription Service and APP's Advertising Agency, made a series of illegal campaign contributions to the 1976 Presidential campaign of Eugene McCarthy.

It was alleged that Mr. Poddar had made excessive personal loans and contributions to the campaign (totalling \$21,200), in violation of the limitations under 2 U.S.C. § 441a(a)(1) (B), and that The Washington Watch had made illegal corporate contributions under 2 U.S.C. § 441b(a) with respect to its loans totalling \$51,000 to Eugene McCarthy. It was suggested in the complaint that the loans from the Watch had actually originated with Mr. Poddar and that he had arranged for the loans to be made to the campaign through the Watch and

Mr. McCarthy in violation of § 441f. In addition, the complaint charged that all three businesses contributed in-kind services to the McCarthy campaign. Moreover, it was alleged that the Committee for a Constitutional Presidency (CCP) had violated the Act by accepting the contributions noted herein.

II Prior Commission Action

On February 15, 1978, the Commission found reason to believe that the following violations had occurred in this matter:

- 1) Eugene McCarthy violated 2 U.S.C. § 441b(a) in connection with his knowing receipt of \$51,000 from The Washington Watch in violation of the corporate contribution limitations;
- 2) Mr. Shrikumar Poddar violated 2 U.S.C. § 441a(a) (1)(B) with respect to his personal loans and contributions, totalling approximately \$27,200, to the Committee for a Constitutional Presidency (CCP);
- 3) The Washington Watch violated 2 U.S.C. § 441b(a) in connection with its loans totalling \$51,000 to Eugene McCarthy and its alleged contribution of in-kind services to the CCP;
- 4) The Committee for a Constitutional Presidency violated 2 U.S.C. § 441b(a) in connection with its acceptance of, and consultation with The Washington

Watch, for, in-kind contributions in the form of services rendered by the Watch and its acceptance of in-kind corporate contributions in the form of services rendered by the Educational Subscription Service (ESS). The CCP also violated 2 U.S.C. § 441a(f) in connection with its knowing acceptance of in-kind contributions in the form of services rendered by APP's Advertising Agency which have not yet been paid for by the CCP;

5) The Educational Subscription Service violated 2 U.S.C. § 441b(a) with respect to its extension of credit to the CCP that was not in the ordinary course of business.

6) APP's Advertising Agency violated 2 U.S.C. § 441a (a) (1) (A) with respect to its contribution of services in excess of the individual contribution limitations.

III. Investigation & Analysis

Notification of the complaint and the Commission's findings were mailed to the respective respondents on February 16, 1978. Subsequent to the receipt of responses from these people and the review of subpoenaed documents at the CCP on May 1, 1977, the Commission on May 3, 1978 approved the issuance of subpoenas for deposition to Mr. Bruce Brown and Mr. Shrikumar Poddar. In addition, Mr. Poddar was subpoenaed to produce certain documents relevant to his personal loans and contributions to the McCarthy campaign, the loans totalling \$51,000 made by The Washington Watch to Mr. McCarthy, and the alleged

in-kind services rendered to the CCP by the Watch, Educational Subscription Service and APP's Advertising Agency. The depositions and production of documents were conducted in Michigan on June 6, 7, & 8, 1978.

The results of our investigation heretofore can be summarized as follows:

A. Allegation 1: Eugene McCarthy's acceptance of \$51,000 in loans from The Washington Watch.

In his response, and later during his deposition on June 8, Mr. Poddar stated that he and Mr. McCarthy had entered into an agreement in the spring of 1976 whereby The Washington Watch would advance monies in the form of loans for the rights to a book to be written by Mr. McCarthy. The amounts of these loans and the dates on which they were made are as follows:

\$ 5,000	6/17/76
5,000	7/13/76
5,000	7/18/76
10,000	8/03/76
10,000	3/27/76
10,000	9/01/76
6,000	9/16/76
<u>\$51,000</u>	Total

The listing above is reflected in a note of receipt of funds signed by Mr. McCarthy on October 6, 1976 (See Attachment A). A renewal of this note, extending Mr. McCarthy's obligation to repay these monies to October 18, 1979 was signed on October 13, 1977. (See Attachment B).

Mr. Poddar stated in his deposition that there had been a letter of agreement pertaining to the acquisition of certain rights to Mr. McCarthy's upcoming book by the Watch in consideration of these loans, but could not locate a copy of this document in his files. Mr. McCarthy, who also was unable to provide a copy of the agreement, confirmed its existence in an affidavit signed on July 6, 1978 (See Attachment C).

In his statement, Mr. McCarthy indicated that the letter of agreement was signed by him in June or July, 1976. The agreement provided that a loan to Mr. McCarthy, the amount of which was not specified in the letter, would be converted to an advance against royalties to the book once Mr. McCarthy signed the agreement. The affidavit also confirmed that Mr. McCarthy had signed the note of receipt of loans totalling \$51,000 from the Washington Watch. Moreover, Mr. McCarthy stated that these monies were received by him personally, pursuant to a personal business agreement with the Watch, and were never paid by the Watch to the CCP or his campaign committee.

In light of this evidence it appears that the \$51,000 in loans was not intended to be used as political contributions, but rather was part of a personal business transaction between the Washington Watch and Mr. McCarthy. In addition, there was no evidence to indicate that these monies were "laundered" contributions to the McCarthy campaign. Moreover, once the funds were received by Mr. McCarthy as part of a bona fide

business transaction, they became his personal funds, the disbursement of which is outside the scope of section 441a limitations.^{1/}

B. Allegation 2: Mr. Poddar's loans to the McCarthy campaign in excess of the contribution limitations.

The complaint alleged that Mr. Poddar had contributed \$21,200 to the campaign. A review of CCP and McCarthy '76 reports filed at the Commission indicated that an additional loan of \$6,000 was contributed on September 15, 1976. This amount was later explained in Mr. Poddar's deposition to have been an error in the CCP reports. Review of the CCP records and Mr. Poddar's records indicated that his loans and contributions to the campaign in 1976 may have actually totaled \$22,175. The \$6,000 error was administratively corrected in April, 1977. The amounts of Mr. Poddar's loans and contributions and the dates on which they were made are as follows:

\$ 25.	11/5/75 to CCP (contribution)
1,000.	3/1/76 to CCP (contribution)
15,000.	9/2/76 to CCP (unsecured loan)
5,000.	9/15/76 to CCP (unsecured loan)
750.	10/5/76 to McCarthy '76 -Wisconsin
	2nd Dist. (loan)
200.	10/20/76 McCarthy '76 (loan) - (This
	may have gone to McCarthy '76 - Michigan)
200.	10/26/76 to McCarthy '76 - Michigan
	(Lansing Area) (contribution)
<u>200.</u>	
\$22,175. Total	

Thus, depending upon the status of the CCP, Mr. Poddar

I/ The evidence in this matter strongly indicates that there was an arm's length transaction between Washington Watch and Eugene McCarthy, thus not raising the question of whether a candidate must abandon his usual employment in order to run for public office were it could be presumed that the acceptance of a stipend, royalty or renumeration is to be construed as a contribution. See Paulsen v. FCC, 491 F.2d 887 (9th Cir. 1974), see also A.O. 1975-46, A.O. 1978-32. A.O. 1975-77.

may still be in excess of the individual contribution limitations of 2 U.S.C. §441a(a)(1)(A). (See Schedule A attached.) If the CCP is considered a national party committee Mr. Poddar could have contributed \$20,000 to the national party committee and \$2,000 to the principle campaign committee; if the CCP is not considered a national party committee, he could only contribute \$2,000 to the campaign. There are several circumstances pertaining to the issue of committee status which the Commission should consider before making a determination in this allegation.

First, on September 3, 1976, the CCP requested an advisory opinion in which they asked:

the Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may receive contributions from persons and committees of up to \$20,000 and \$15,000 respectively in accordance with Chapter 14, Sections 441a(a)(1)(B) and 441a(a)(2)(B).

The Commission's response on November 26, 1976 (AOR-1976-81 stated:

... the issue of whether the Committee may be treated as a national committee of a political party does not require a response at this time since there is no indication that it anticipates engaging

in activities which are traditionally conducted by political party organizations. 2/

Second, in anticipation of the advisory opinion request, Eugene McCarthy withdrew his authorization of the CCP - McCarthy '76 as his principle campaign committee on September 1, 1976. The CCP - McCarthy '76 Committee was subsequently split, the CCP becoming the designated principle campaign committee of the McCarthy campaign.^{3/} Since this date the CCP has always maintained that it is a national party committee and indicated such in its October 10, 1976 report to the FEC as well as in its response to this complaint. Moreover, the CCP and McCarthy '76 have filed separate reports to the Commission since September, 1976 in accordance with section 434.^{4/}

A \$15,000 loan from Mr. Poddar was made to the CCP (and received by wire transfer) on September 2, 1976 -- one day after McCarthy's withdrawal of authorization and one day before the advisory opinion request. It appears that this loan was made in the belief that the CCP was a national

2/ This response referred the CCP to Advisory Opinions 1976-95 and 1976-129 in connection with activities of national party organizations.

3/ The by-laws of the CCP were never amended to reflect this change, See 2 U.S.C. §431(k).

4/ It is clear that the CCP and Mr. McCarthy have complied with the provisions of section 433(c) of Title 2 requiring notification of any changes in the statement of organization of any political committee. The proposed advisory opinion to AOR-1976-81 suggested that "...compliance with this provision will satisfy the Commission as to the propriety of designating the Committee for a Constitutional Presidency as a political party committee and designating McCarthy '76 as the principle campaign committee."

party committee at that time. As previously stated, the CCP has continuously maintained to the Commission that it is a national party committee.

In October, 1976 Disclosure discovered a \$6,000 loan from Mr. Poddar to the CCP on September 15, 1976 and sent a letter dated November 10, 1976 to the CCP suggesting that it had exceeded the \$1,000 contribution limitation. The November 16, 1976 response from the CCP claimed that the Commission had been advised of the CCP's national party committee status (in its September 3, 1976 AOR) and that the loan was within the limitations.^{5/} (See Attachment D). The question of whether this loan was excessive was referred to the General Counsel's office on November 24, 1976. No compliance action was initiated on this issue due to the Commission's response to the CCP's advisory opinion request.

In addition, the CCP, acting as a national party committee, notified the Commission of its nomination of Eugene McCarthy as a candidate for President on October 29, 1976. (See Attachment E). It is the position of the CCP, that in the absence of a definitive determination by the Commission, it has been operating since September, 1976 as a national party committee within the meaning of 2 U.S.C. §431(k); it has carried out the day-to-day operations of the party at the national level and was heavily involved in litigation to allow McCarthy ballot access in numerous states, as well as in Buckley v. Valeo

^{5/} It should be noted that this loan was entered erroneously by the CCP in its reports - Mr. Poddar had made a \$5,000 loan on September 15, 1976; no additional \$6,000 loan had been made. This error was administratively corrected on April, 1977.

and McCarthy v. FEC. Moreover it should also be noted that a political party, by definition under section 431(m), need only "...nominate a candidate for election to any Federal Office, whose name appears on the election ballot as the candidate of such association, committee, or organization;" the CCP did not need to support more than one candidate for any federal office.^{6/}

The Commission's response to AOR 76-81 indicated that the

"issue (of whether CCP) may be treated as a national party committee does not require a response at this time since there is no indication that it anticipates engaging in activities which are traditionally conducted by political parties."

Section 431(k) vests the Commission with the authority to determine what is a national committee.^{7/} In its response to the CCP/McCarthy '76 request, the Commission indicated (by reference to AOs 76-95 and 75-129) the indicia which would elevate a political committee to national committee status. Thus, if the CCP had engaged in

"activities outside of those which directly influenced specific elections in that it supported voter registration and get-out-the vote drives, provided speakers, organized volunteer workers, and publicized issue of importance to the party and its adherents throughout the United States" (AO 76-95, CCH ¶ 5192)

^{6/} Moreover, CCP may also be within the IRS' definition of a national political party as set forth in 26 USC §41(c)(3). ["...a political party presenting candidates or electors for such offices on the official election ballot of 10 or more states... ."] McCarthy appeared on the ballot in 29 states.

^{7/} 2 U.S.C. 431(k) states:

"national committee" means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission.

it may be considered a national party. The Commission added that "an organization which meets these criteria may support a wide range of candidates and issues and thus cannot be automatically viewed as a mere conduit to the campaign(s) of a small group of federal candidates (Id)."

In addition, the Commission has noted in the past that since these determinations "involve varying factual circumstances and will not be susceptible to a neat characterization, the Commission will deal with them as they arise." (AO 75-74, CCH ¶5131).

With this in mind, we recommend the Commission defer resolution of the underlying question of national committee status within the context of this matter due to the circumstances set forth herein and the fact that the issues of excessive loans and committee status went unresolved, receiving no definitive Commission action until this complaint. It appears that the Commission is restricted in finding reasonable cause to believe that Mr. Poddar and the CCP violated the Act with respect to \$20,000 of Mr. Poddar's loans and contributions to the CCP. However, it is clear, using either primary date, that Mr. Poddar made excessive loans and contributions to McCarthy's principle campaign committee in violation of 2 U.S.C. Section 441a(a)(1)(A). Since the Commission has not formally recognized the validity of the CCP's nominating caucus, it appears that the Commission should find reasonable cause to believe based on figures using the date of the last major party national convention as the final primary election date.

Consequently, Mr. Poddar's excessive contributions to the McCarthy campaign would have totaled \$175 - \$25 for the primary and \$150 for the general election. (See Schedule A) We therefore recommend that the Commission find reasonable cause to believe that Mr. Poddar violated Section 441a(a)(1)(A) with respect to \$175 of his loans and contributions to McCarthy's principle campaign committee and that there is reason to believe that McCarthy '76 violated Section 441a(f) with respect to its knowing acceptance of these monies.^{8/}

In addition, we recommend that the Commission authorize a full audit of both the CCP and McCarthy '76. Commission reports from these committees are very confusing and in many instances appear to be incomplete and inconsistent. For example, Mr. Poddar testified and produced documentation that one of his \$200 loans had been repaid, however this transaction does not appear in any of the appropriate reports. We also have a copy of another \$200 check from Poddar to the McCarthy campaign for which there is no record in our reports. It was further noticed that the CCP has been reporting outstanding debts owed for some expenses that were incurred by and billed to the McCarthy '76 Committee. An audit would be able to flush out most of these problems and others that were apparent upon review of our records.

^{8/} The McCarthy '76 Committee was never sent a RTB notification due to the fact that it was believed that the CCP and McCarthy '76 were the same committee when the investigation of this matter commenced.

C. Allegation 3: Washington Watch violation of § 441b(a) in connection with its \$51,000 in loans to Eugene McCarthy and its alleged contribution of in-kind services to the CCP.

For the reasons set forth in Section A above it does not appear that the Washington Watch made these loans with the intention of contributing to the McCarthy campaign. Rather, the loans were made in connection with a bona fide business transaction with Mr. McCarthy.

With respect to the allegation that the Watch made in-kind corporate contributions to the CCP through the publication of an extraordinary number of articles on Eugene McCarthy, a review of Washington Watch issues from 1975 to the present indicated that this charge is invalid. The Watch, during 1976, did carry several articles on McCarthy, his political views and his campaign. However, the newsletter also carried articles on domestic and international issues and special topics unrelated to the campaign. The articles on McCarthy represented bona fide news accounts of general interest and did not appear to present any bias that was particularly favorable to McCarthy.

As we reported in our first General Counsel's report on this matter, a review of CCP reports filed here indicated that the CCP owed an editor of the Watch \$2,000 for work he had done for the campaign. According to the CCP response to this complaint and an affidavit signed by the editor,

John Boyles, the \$2,000 was to pay Mr. Boyles for services he had rendered to the campaign on this own time, not in his capacity as an editor of the Washington Watch. (Mr. Boyles had also worked for the McCarthy campaign in 1968 and 1972). Mr. Boyles further stated in his affidavit that he had had an understanding with the CCP whereby he would be paid for his work for the campaign only if the CCP obtained public funding and that since the CCP was ineligible for such funding he did not receive this money. Moreover, he stated that none of the articles that he wrote on McCarthy for the Watch had been "suggested, requested, supervised or in any way controlled by the candidate or by any political committee associated with the candidate." (See Attachment F).

D. Allegation 4: Violations by the CCP of § 441b(a) in connection with its acceptance of in-kind corporate contributions from the Washington Watch and the Educational Subscription Service and § 441a(f) with respect to its knowing acceptance of in-kind contributions from APP's Advertising Agency.

As discussed above, the articles in the Washington Watch cannot be considered to be some form of campaign literature thereby representing in-kind corporate contributions by the Watch. Moreover, according to the CCP's response and Mr. Poddar's deposition, it appears that the CCP had no part in these articles other than to provide information upon request from the writers.

Review of CCP documents and records from ESS and APP's produced by Mr. Poddar indicate that there are still debts outstanding to these companies. However, the CCP has been gradually making payments towards these debts and in fact sent a letter to all of its creditors indicating its intention of retiring all debts as soon as possible. (See Attachment G).

It should be noted that it appeared that this allegation was based largely upon the fact that Mr. Poddar owns the two groups and that his friendships with Mr. McCarthy may have indicated that the extensions of credit were not in the ordinary course of business. In this regard, Mr. Poddar produced invoices and records from ESS and APP's that pertained to other accounts and business transactions. These documents reflected costs, terms of payment and extensions of credit that were similar to those in the CCP accounts. Consequently it does not appear that the Educational Subscription Service and APP's Advertising Agency made in-kind contributions to the McCarthy campaign through extensions of credit that were not in the ordinary course of business. Moreover, the CCP has indicated that it did not receive any special terms for services rendered and has made every reasonable effort to retire these debts.

E. Allegation 5: Extension of credit by the Educational Subscription Service that was not in the ordinary course of business in violation of the corporate contribution limitations.

For reasons discussed supra it appears that the Educational Subscription Service did not violate section 441b(a) by making in-kind corporate contributions to the McCarthy campaign and has made reasonable efforts to obtain full payment for the services rendered to the campaign.

F. Allegation 6: Contribution of services by APP's Advertising Agency in violation of the individual contribution limitations.

Again, as indicated in Section D, the investigation of this allegation revealed that APP's did not extend credit to the CCP or McCarthy '76 that was not in the ordinary course of business. Further, it has continuously made efforts to obtain full payment for its services rendered to the campaign.

III. Recommendation

It is hereby recommended that the Commission take the following actions in this matter:

1. Close the file with respect to all allegations in this matter except for Mr. Poddar's excessive loans and contributions to McCarthy's principle campaign committee and the acceptance of these monies by the McCarthy '76 Committee.
2. Find reasonable cause to believe that Mr. Poddar violated 2 U.S.C. § 441a(a)(1)(A) with respect to \$175 of his loans and contributions to McCarthy '76 in excess of the individual contribution limitations;
3. Find reason to believe that the McCarthy '76 Committee violated 2 U.S.C. §441a(f) with respect to its knowing

acceptance of \$175 from Mr. Poddar in excess of the contribution limitations.

4. Authorize a full audit of CCP and McCarthy '76.

9/18/78
Date

William C. Oldaker
General Counsel

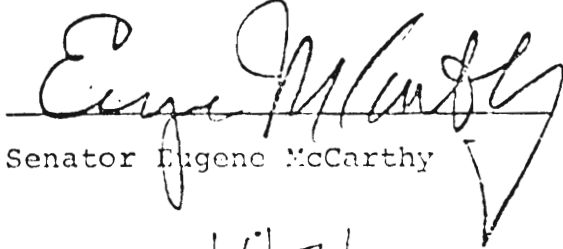
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan, 48910 has loaned the undersigned, Senator Eugene McCarthy, the sum of \$51,000.00 (Fifty One Thousand Dollars Only) plus interest at 7 1/2 percent per annum and payable in one year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:


Senator Eugene McCarthy

Date:

10/6/76

ATTACHMENT A

Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

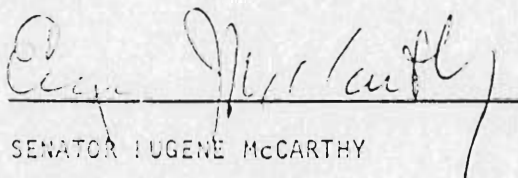
October 12, 1977

RENEWAL OF NOTE DATED OCTOBER 6, 1976

WASHINGTON WATCH, SOUTH POINT PLAZA, LANSING, MICHIGAN,
48910 HAS LOANED THE UNDERSIGNED, SENATOR EUGENE McCARTHY,
THE SUM OF \$51,000.00 (FIFTY ONE THOUSAND DOLLARS ONLY)
PLUS INTEREST AT 7 1/2 PERCENT PER ANNUM AND PAYABLE IN TWO
YEARS. THE FOLLOWING DATES AND AMOUNTS ARE:

6-17-76	\$5,000.00
7-13-76	\$5,000.00
7-18-76	\$5,000.00
8-3-76	\$10,000.00
8-27-76	\$10,000.00
9-1-76	\$10,000.00
9-16-76	\$6,000.00

SIGNED:


SENATOR EUGENE McCARTHY

DATE: Oct 18, 1977

ATTACHMENT B

AFFIDAVIT

EUGENE J. MC CARTHY, being first duly sworn, deposes and says the following:

1. I was an independent candidate for the office of President of the United States in the election of 1976.

2. During early 1976, I had various discussions with Shrikumar Poddar concerning the assignment of certain rights in a book to be written by me to Washington Watch, a Michigan corporation of which Mr. Poddar is president. The subject of the book was to be politics and the 1976 presidential election. Mr. Poddar approached me with the proposal.

3. These discussions included the possibility that I would enter a contract for the publication of the book with Washington Watch. For such purpose, I obtained a formal publication contract, a copy of which is attached hereto as Exhibit I. However, at the time my commitments to my candidacy were such that I could not negotiate such an agreement.

4. During June or July, 1976, Washington Watch and I signed a letter of agreement, addressed to me by Washington Watch, that provided that Washington Watch obtained certain rights in such a book in consideration of a loan to me. The amount of the loan was not mentioned in the letter. The agreement further provided that, upon my signing an agreement with Washington Watch for the publication of the book that the loan would convert to an advance against royalties, and that Washington Watch and I would share the profits of the book equally.

5. On or about October 6, 1976, I signed a note evidencing receipt from and the obligation to repay Washington Watch the total sum of \$51,000.00. This was the loan mentioned in the letter of agreement above described.

6. The moneys received from Washington Watch pursuant to the note and letter of agreement were received by me personally and were not paid to my campaign or national committees by Washington Watch, and were not political contributions. The agreement was a personal business agreement between myself as a writer and Washington Watch.

7. A search of my records has been made and I am unable to find the original or any copies of the letter of agreement.

8. After the election of 1976, Mr. Poddar and I had various conversations about the book and the letter of agreement with Washington Watch. We agreed that I would attempt to find a major publisher for the book, and Washington Watch would do the same. In April of 1978 I entered into a contract with Harcourt Brace Yovanovich for the publication of the book.

9. In light of the Harcourt Brace contract, Washington Watch and I, through counsel and directly, are presently negotiating an agreement respecting the loan and letter of agreement. Though the details remain to be resolved, the agreement essentially will assign portions of my royalties under the Harcourt Brace contract to Washington Watch as payment for the note and whatever rights Washington Watch had received concerning the book in the letter of agreement.

DATED: 7-6-78

Eugene J. McCarthy
EUGENE J. MCCARTHY

Subscribed and sworn to this 6th day of July,
1978 before me, a notary public, State of _____, county
of District of Columbia

Karl P. P...
Notary Public

My commission expires: 2-14-81

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 N STREET, NW

WASHINGTON, D.C. 20005

(202) 737-4900

November 16, 1976

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

RE: RAD0163RS

Dear Mr. Potter:

As we advised the Federal Election Commission's General Counsel, by letter of September 3, 1976, the Committee for a Constitutional Presidency is the equivalent of a political party's national committee. As such, it contributed to presidential candidate Eugene J. McCarthy, to vice presidential candidates, and to candidates for presidential elector.

I am Treasurer of the Committee for a Constitutional Presidency. (Mr. James Yeager is Treasurer of McCarthy '76, Eugene J. McCarthy's principal campaign committee.)

The Committee for a Constitutional Presidency is authorized by 2 U.S.C., Section 441a(a)(1)(B) to receive a contribution of up to \$20,000 from a single individual. The loan you questioned falls under the same authorization.

Since the loan was permitted by law, and correctly reported, we believe that it would be improper to amend our report.

Sincerely,



Mary Meehan
Treasurer

ATTACHMENT D

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 H STREET, NW
WASHINGTON, D.C. 20005

(202) 737-4800 OCT 29 PM 5:01

October 29, 1976

MS
The Honorable
Vernon W. Thomson
Chairman
Federal Election Commission
1325 K Street, NE
Washington, DC

C00031856

Dear Mr. Thomson:

762830373527
This is to notify you that the executive committee of
the Committee for a Constitutional Presidency, by conference
on October 26, 1976, formally adopted a resolution nominating
Ronald J. McCarthy as a candidate for President of the United
States, thus ratifying the action the committee took on
January 12, 1975 when it invited Mr. McCarthy to be its
presidential candidate.

Suzannah B. Hatt

Suzannah B. Hatt, Secretary

Subscribed and sworn to before me this 29th day of October, 1976.

Lois K. Loney
Notary Public

My Commission Expires 1 JULY 1978

ATTACHMENT E

AFFIDAVIT OF JOHN BOYLES

I, John Boyles, being first duly sworn, depose and say the following:

1) Because of my political convictions, I worked in the 1968, 1972, and 1976 presidential campaigns of Eugene McCarthy.

2) I received compensation for work in the 1968 and 1972 campaigns. I received no compensation for work in the 1976 campaign. My work in the 1976 campaign included the drafting of position papers, assistance with production of a filmed interview with the candidate, assistance with preparation of a fundraising record, press contacts, and contacts with opinion leaders.

3) It was my understanding that the 1976 campaign was severely lacking in funds. I was willing to devote a substantial part of my own time to the 1976 campaign even though it might not be possible for the campaign to compensate me for that time. Initially, the possibility of compensation was not even raised.

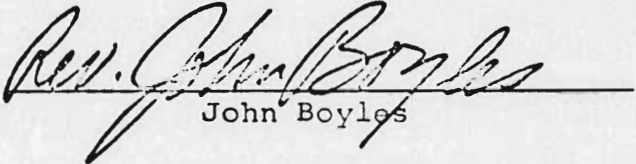
4) In the fall of 1976, however, I did reach an understanding with the campaign whereby I would be paid \$2,000 for work done for the campaign if it became eligible for post-election public funding. Since the campaign did not become eligible for public funding, I received no money for such work--and expected none.

5) From approximately December of 1974 until February of 1977, I served as editor of the Washington Watch newsletter. In

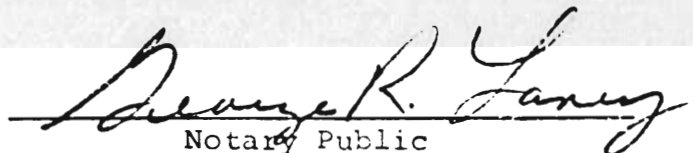
that capacity, I gathered information and wrote articles on a wide variety of subjects, including foreign policy and American politics.

6) Among the Washington Watch issues I prepared in 1976 were ones on China, the KGB, Soviet and Cuban foreign policy, nuclear warfare, India, the prospective Carter-Mondale foreign policy, and the McCarthy campaign. I was compensated by Washington Watch for all issues at the rate of \$400 per issue prepared by me.

7) The articles I wrote on the McCarthy campaign were not suggested, requested, supervised or in any way controlled by the candidate or by any political committee associated with the candidate. Nor was I compensated for them by the candidate or by any political committee associated with the candidate. Nor did I request, suggest, or expect such compensation.


John Boyles

Subscribed and sworn to before me this 17th day of March, 1978.


Notary Public

My commission expires 1 July 1978.

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1420 N STREET, NW
WASHINGTON, D.C. 20005
(202) 483-2700

MEMO

To: Major Creditors

From: Mary Meehan, Treasurer
Committee for a Constitutional
Presidency

Date: November, 1977

In the course of this year, our Committee has made strenuous efforts in fundraising to retire our debts. Those efforts have included five mail appeals to persons who contributed to our effort in 1976; several fundraising receptions; sales of excess equipment and furniture; and sales of political memorabilia.

The fifth mail appeal has just been sent; we hope for a good return. We are also trying to arrange benefit concerts to raise money for debt retirement.

If current efforts are successful, we should be able to make substantial payments to all major creditors by the end of this year.

Please be assured that, under difficult circumstances, we are doing our best to meet all outstanding obligations.

SCHEDULE A

CONTRIBUTIONS OF SHIRKUMAR PODDAR

AMOUNT	PAYEE	DATE
\$ 25	CCP	11/5/75
\$1000	CCP	3/1/76
\$ 750	McCarthy '76/WI	10/5/76
\$ 200	McCarthy '76/MI	10/25/76
\$ 200	McCarthy '76	10/5/76
\$15,000*	CCP	9/2/76
\$5,000*	CCP	9/16/76
<hr/>		
\$22,175	Total	
- 410	**	
- 200	***	
<hr/>		
\$21,565	Total	

* These loans were made by Poddar in the belief that CCP was a national party. We have note, dated 9/1/77, which reflects that payment is due on 9/1/78; however, our records do not reflect if Mr. Poddar has been repaid yet. For reasons discussed in the main body of the text, we will not include the \$20,000 in the remaining illustrations.

** \$410 of Mr. Poddar's \$750 loan to McCarthy '76 on 10/5/76, was repaid, leaving an outstanding loan of \$340.

*** The \$200 loan made on 10/25/76 was repaid on 12/29/76, although McCarthy '76 reports do not reflect it.

For the purposes of 2 U.S.C. 441a(a)(3) limitations, Mr. Poddar's contributions to McCarthy's principle campaign committee in excess of the limitations, depending upon the reading of "primary election" as set forth in 11 CFR 100.6(b) For example:

"(2) With respect to individuals seeking Federal office as independent candidates, or without nomination of a major party (as defined in 26 U.S.C. §9002(6)), the primary election is considered to occur, at the choice of the candidate --

(i) the day prescribed by applicable state law as the last day to qualify for a position on the general election ballot, or

(ii) the date of the last major party primary election caucus or convention in that state, or

(iii) in the case of non-major parties, the date of nomination by that party.

Mr. McCarthy has not made his choice of a final primary election date known to the Commission; however, for the purposes of this matter, we have rejected section 100.6(b)(2)(i) since McCarthy was on the ballot in 29 states.* Therefore, if McCarthy chooses 100.6(b)(2)(ii) Mr. Poddar's contribution schedule would be as follows (using the last date of a major party national convention):

Primary	General
\$ 25	\$750
\$1000	\$200
<hr/>	\$200
\$1025	<hr/>
	\$1150

It should be noted Poddar made a \$750 contribution of which \$410 was repaid, but a loan is still a contribution until repaid and while that and the other \$200 loan were extant, he made a \$200 contribution which put him at one time, over the limitations.

If we chose October 26, 1976, the date that CCP states it nominated McCarthy**, per 100.6(b)(2)(iii), Poddar's contribution would parse as follows:

Primary	General
	0
\$ 25	
\$1000	
\$ 340	
\$ 200	
<hr/>	
\$1565	

plus 410) loans which were not paid back until
200) after the primary period.
610

for a total of \$2175.

* This section would appear to apply to Congressional races, although the justification for the regulation is silent on this, section 9032 of Title 26 would limit the primary matching fund period to date ending the earlier of that party's caucus or nominating convention of a major party.

** It should be added that the Commission has not acknowledged the validity of CCP's nominating caucus.

Although the logical choice would be to use the first example, the choice of end dates is Mr. McCarthy's and that choice will not only affect Mr. Poddar's contribution pattern, but a significant number of other contributors. An audit would be able to give a more definite picture of the effects of the decision.

AFFIDAVIT

EUGENE J. MC CARTHY, being first duly sworn, deposes and says the following:

1. I was an independent candidate for the office of President of the United States in the election of 1976.

2. During early 1976, I had various discussions with Shrikumar Poddar concerning the assignment of certain rights in a book to be written by me to Washington Watch, a Michigan corporation of which Mr. Poddar is president. The subject of the book was to be politics and the 1976 presidential election. Mr. Poddar approached me with the proposal.

3. These discussions included the possibility that I would enter a contract for the publication of the book with Washington Watch. For such purpose, I obtained a formal publication contract, a copy of which is attached hereto as Exhibit I. However, at the time my commitments to my candidacy were such that I could not negotiate such an agreement.

4. During June or July, 1976, Washington Watch and I signed a letter of agreement, addressed to me by Washington Watch, that provided that Washington Watch obtained certain rights in such a book in consideration of a loan to me. The amount of the loan was not mentioned in the letter. The agreement further provided that, upon my signing an agreement with Washington Watch for the publication of the book that the loan would convert to an advance against royalties, and that Washington Watch and I would share the profits of the book equally.

5. On or about October 6, 1976, I signed a note evidencing receipt from and the obligation to repay Washington Watch the total sum of \$51,000.00. This was the loan mentioned in the letter of agreement above described.

6. The moneys received from Washington Watch pursuant to the note and letter of agreement were received by me personally and were not paid to my campaign or national committees by Washington Watch, and were not political contributions. The agreement was a personal business agreement between myself as a writer and Washington Watch.

7. A search of my records has been made and I am unable to find the original or any copies of the letter of agreement.

8. After the election of 1976, Mr. Poddar and I had various conversations about the book and the letter of agreement with Washington Watch. We agreed that I would attempt to find a major publisher for the book, and Washington Watch would do the same. In April of 1978 I entered into a contract with Harcourt Brace Yovanovich for the publication of the book.

9. In light of the Harcourt Brace contract, Washington Watch and I, through counsel and directly, are presently negotiating an agreement respecting the loan and letter of agreement. Though the details remain to be resolved, the agreement essentially will assign portions of my royalties under the Harcourt Brace contract to Washington Watch as payment for the note and whatever rights Washington Watch had received concerning the book in the letter of agreement.

DATED: 7-6-78

Eugene J. Mc Carthy
EUGENE J. MC CARTHY

Subscribed and sworn to this 6th day of July,
1978 before me, a notary public, State of Illinois, county
of DeKalb

Notary Public

My commission expires: 2-28-81

EXHIBIT 1

Agreement dated _____, 197____, between _____

("Author") whose address is _____

and _____

("Publisher") whose address is _____

for a work by Author now entitled _____ (the "Work").

THE PARTIES AGREE as follows:

Book Publishing and Translation Rights

1. Author hereby grants Publisher, during the first term of United States Copyright in the Work:

(a) The exclusive right to "publish" (i.e. print, publish and sell) the Work in book form in English in the United States and its territories, Canada and the Philippines; and

(b) The non-exclusive right to publish the Work in book form in English in other countries except the British Commonwealth (except Canada) and the Republics of Ireland and South Africa; and

(c) The exclusive authorization to license on the Author's behalf the right to publish the Work in book form in English in the British Commonwealth (except Canada) and the Republics of Ireland and South Africa; provided that Author may terminate such authorization at any time after 12 months from first United States trade book publication, for any country for which a license has not been granted, has terminated, or is terminable; and

(d) The exclusive authorization to license on the Author's behalf the right to translate and publish the Work in book form in languages other than English in all countries; provided that Author may terminate such authorization, at any time after 12 months from first United States trade book publication, for any country and/or language for which a license has not been granted, has terminated or is terminable.

On request, Publisher shall provide Author with copies of any licenses granted under (c) or (d).

Delivery of Work, Additional Materials and Permissions

2. (a) On or before _____, Author will deliver to Publisher one clean, legibly typed manuscript of the completed work, approximately _____ words long.

(b) If Author fails to deliver the manuscript within ninety days after the date specified in Par. 2 (a), Publisher may send Author written notice of intention to terminate this Agreement. Unless Author delivers the completed manuscript to Publisher within twenty days of the mailing of the notice, this Agreement shall terminate and Author shall repay to Publisher any amounts previously paid to Author by Publisher hereunder. Anything to the contrary notwithstanding, should Author be prevented by illness, accident or military service from completing the manuscript, then the time for delivery of the manuscript, or changes pursuant to Par. 3 (c), shall be extended until three months following the termination of Author's incapacity or service, provided that if the manuscript, or changes, are not delivered within 12 months from the delivery date specified in (a) or such later date as is mutually agreed to, Publisher may terminate this agreement on 90 days written notice.

(c) (i) The following additional materials shall be provided and paid for as indicated below:

	Provided by (insert "publisher," "author" or "none")	Number and Description	Costs and Fees Paid by			
			Publisher		Author	
photographs	_____	_____	<u>50</u>	%	<u>30</u>	%
drawings	_____	_____	<u>50</u>	%	<u>50</u>	%
maps	_____	_____	<u>50</u>	%	<u>30</u>	%
tables	_____	_____	<u>50</u>	%	<u>50</u>	%
charts	_____	_____	<u>60</u>	%	<u>50</u>	%
other illustrations	_____	_____	<u>50</u>	%	<u>50</u>	%
index	_____	_____	<u>50</u>	%	<u>50</u>	%

Photographs, drawings, maps and other illustrations shall be in form suitable for retouching and reproduction by Publisher; index, tables and charts shall be in a form from which type can be set.

(ii) If Author does not submit additional materials to be provided by him within a reasonable time after submission of manuscript and prior to publication, Publisher shall, after 30 days written notice to Author, provide such materials at Author's expense.

(iii) Any permissions required to use material copyrighted by others shall be obtained by Publisher and any fees for such permissions shall be paid as follows: 50 % by Publisher, 50 % by Author.

(iv) Any share of costs or permission fees payable by Author under (i), (ii) or (iii) above shall be advanced by Publisher and repaid only by deductions from royalties or other earnings payable to Author hereunder.

Acceptance of Manuscript and Changes

3. (a) No one except the Author may make changes in the Work. The title may be changed only by mutual consent of Author and Publisher. Advertising, or material by others, may not be inserted or printed in any edition of the Work, whether issued by Publisher or its licensees, without Author's written consent (provided that titles of other works may be listed at the end of paperback editions licensed hereunder); such consent may be withheld in Author's sole discretion, and he may require that a share of the advertising proceeds be paid to him, as a condition for his consent, if he elects.

(b) The manuscript shall be deemed satisfactory in content to the Publisher unless within 60 days of its receipt Publisher gives Author written notice of the respects in which Publisher claims the manuscript is unsatisfactory.

all EPM

(c) Author shall have 60 days from receipt of that notice to make and submit such changes as he believes are reasonably required.

(d) If Publisher gives notice under (b) and the changes submitted are not satisfactory to Publisher, or no changes are submitted, then Publisher may terminate this contract by written notice to Author given within 60 days after submission of the changes pursuant to (c), or if no changes are submitted within 75 days after giving of notice pursuant to (b), provided that Publisher's claims under (b) shall be reasonable and not arbitrary; and upon such notice of termination Author shall repay to Publisher 0 % of any advances theretofore paid under this Agreement, but only from money derived by Author from the publication of the book by another publisher.

Warranties and Indemnities

4. (a) Author represents and warrants that: (i) He is the sole Author of the Work; now owns all rights in it granted hereunder, free of liens or encumbrances; and has full power to execute this Agreement; (ii) The Work is original with him, and has not been published (if there has been any prior publication, add "except" — and describe);

(iii) The Work does not infringe statutory copyrights or common law literary rights of others, and, to his knowledge, does not violate the rights of privacy of, or libel, other persons.

(b) (i) Author agrees to indemnify and hold harmless the Publisher, and the publisher of any reprint or book club editions of the Work licensed by Publisher pursuant to this Agreement, against any final judgment for damages (after all appeals have been taken) against them in any action arising out of facts which constitute a breach of the foregoing warranties and reasonable costs and attorneys' fees incurred by them in defending an action in which such judgment is recovered, provided that Author's liability hereunder is limited to 50 % of the sums payable to him under this Agreement or \$ _____, whichever is lesser.

(ii) The aforesaid indemnity shall not apply to any material inserted in the Work by Author in response to Publisher's request nor to any material which Publisher could have determined, from a reading of the Work, violated any rights specified in (a) (iii).

(c) (i) Publisher shall give Author prompt notice of any suit brought against Publisher or its paperback or book club licensees alleging facts which, if proven, would constitute a breach of the warranties in Subparagraph (a). Author may, if he chooses, defend such suit with counsel of his own choosing, at his own expense; provided that if he does, Publisher may nonetheless participate in the defense with counsel of its choosing and at its own expense.

(ii) If Author shall defend such suit, he shall not be responsible for Publisher's attorneys' fees or costs, Subparagraph (b) notwithstanding.

(iii) If such suit is brought, Publisher may hold in escrow up to 15 % of each of the next three payments due under Paragraph 18 until after the suit is terminated, or until three years after its commencement, whichever occurs first; but in no event may the amount withheld exceed the amount of damages claimed in the complaint.

Correction of Proof

5. Publisher shall furnish Author with copy edited galley and page proofs of the Work (or retyped manuscript where composition is done by computer or similar means) and Author will read, revise (if necessary) and return said proofs promptly. If revisions in the proofs, retyped manuscript or plates are made at Author's request other than to correct printer's or editor's errors or additions (for which Publisher shall pay) the cost of such revisions in excess of \$ 100 or 35 % of the cost of composition, whichever is greater, shall be charged to Author and deducted from the income payable to him hereunder. Such charges and deductions shall not be made, however, unless Publisher submits to Author, within 90 days after the date of first publication hereunder, an itemized statement of the charges and costs of such revisions; and Author or his representative may inspect Publisher's books and records relating to such charges.

Publication of Trade Edition

6. Publisher shall first publish the Work in the United States in English in a hard-cover book form (herein called the "trade edition") within twelve months after delivery of the manuscript of the completed Work under Paragraph 2 (a). Should war, fire or similar disaster beyond Publisher's control delay such publication, the trade edition will be published within six months after termination of such disaster, but in no event later than twenty-four months after delivery of the said manuscript. If the Publisher fails to publish the trade edition within the applicable time period aforesaid, Author may terminate this Agreement on ten days written notice, and all rights shall thereupon revert to Author; and upon such termination Author shall be entitled to retain any advances theretofore paid to him by Publisher hereunder. The format, style of composition and price of the trade edition shall be determined by Publisher. Publisher will consult in advance with Author concerning the format and style of the trade edition, and concerning the text, graphic material and style of the dust jacket. Publisher will use its best efforts to promote the sale of copies of the Work, and to exploit the rights therein which Publisher is authorized by this Agreement to license.

Copyright

7. Publisher shall print in every copy of the Work proper United States copyright notice containing Author's name, sufficient to secure United States copyright and Universal Copyright Convention protection in the Work for Author. Publisher shall duly register a claim for United States copyright in the Work in Author's name; and shall file an application for renewal thereof in Author's name. Every license granted by Publisher to reprint, or reproduce, or otherwise use, all or a portion of the Work shall contain a specific requirement that the licensee will print a proper copyright notice in each copy, and take any other steps required, to preserve Author's copyright. In licensing foreign language rights, Publisher shall provide that copyright in the Work is secured in Author's name, and Publisher shall use its best efforts to obtain agreement that copyright in each translation is secured for, or assigned to, Author.

Prior Publication

8. Author shall notify Publisher of any publication of all or a portion of the Work prior to the publication of the trade edition, and Author shall provide Publisher with any assignment of copyright or other document necessary to enable Publisher to secure copyright in the Work in Author's name.

Advances

9. Publisher will pay Author, as an advance against all sums payable by Publisher to Author under Pars. 10, 12, 13 and 15 of this Agreement, the sum of \$ 25,000, payable as follows:

On signing of this Agreement: \$ 25,000

On _____ : \$ _____

On _____ : \$ _____

Provided that the manuscript of the completed Work is delivered pursuant to Paragraphs 2 and 3, the foregoing advances shall not be repayable and shall be recouped by Publisher only from royalties and other amounts payable to Author under this Agreement, provided further that no more than 15 % of any payments due to Author pursuant to Paragraph 12 hereof may be applied by Publisher to the recoupment of said advances; and that no portion of proceeds from licenses of first serial rights may be applied by Publisher to the recoupment of said advances.

Royalties

10. (a) Publisher shall pay Author the following royalties on each copy of the trade edition sold by Publisher in the United States, less returns:

- (i) On the first 5 thousand copies sold: 10 % of Publisher's suggested retail list price (hereinafter called "retail price");
- (ii) On the next 5 thousand copies sold: 12 1/2 % of retail price;
- (iii) On all copies in excess of 10 thousand copies: 15 % of retail price.
- (iv) Provided, however, that if and whenever the said retail price is less than \$ _____ per copy, the retail price of the trade edition shall be deemed to be \$ _____ for the purpose of computing and paying royalties to Author under Par. 10.

(b) When, in any accounting period, Publisher grants quantity discounts in the United States of more than 48% on single title orders of 1,000 or more copies of the Work, the royalty on such copies shall be the royalty in (a), applicable at the end of said accounting period, reduced by one-half of one percent (1/2%) for each one percent (1%) of discount exceeding 48%; provided that the royalty rate shall not be reduced to less than _____ of the applicable rate in (a). No adjustments shall be made for fractions of percentages.

(c) Publisher will pay Author the following royalty for each copy sold by Publisher, less returns:

- | | |
|--|--|
| <ul style="list-style-type: none">(i) To consumers by mail order, or coupon, radio or television advertising.(ii) Trade edition copies, bound or unbound, exported to Canada.(iii) Bound trade edition copies exported elsewhere.(iv) Library-bound edition copies sold outside regular wholesale and retail trade channels (the regular rates in (a) above will be paid on sales through regular channels).(v) On copies sold in sheets for export, other than to the British Commonwealth, at a price exclusive of royalty.(vi) On copies sold in sheets for export, other than to the British Commonwealth, at a price inclusive of royalty.(vii) On copies sold in sheets for export to a publisher in the British Commonwealth (except Canada) licensed to publish under Paragraph 1 (c). | <ul style="list-style-type: none">(1) One-half of the royalty rate in (a) applicable at the end of the accounting period (but not less than 5% of the U.S. retail price).(2) One-half of the royalty rate in (a) applicable at the end of the accounting period (but not less than 6% of the U.S. retail price).(3) Two-thirds of the royalty rate in (a) applicable at the end of the accounting period (but not less than 8% of the U.S. retail price).(4) The royalty rate in (a) above, calculated on the net catalogue price of the edition.(5) <u>50</u> % of Publisher's net receipts (but not less than 18%).(6) One-half the sum accruing over and above the actual manufacturing cost (not including any overhead), or 18% of Publisher's net receipts, whichever is greater.(7) A royalty rate to be agreed upon. |
|--|--|

In determining the royalty rate in (a) above, all copies sold under (a) and (b), and (c) (i) through (iv), shall be included as total sales under (a).

(d) (i) If Publisher shall issue its own mass-market, newsstand paperback edition, Publisher will pay Author:

8 % of the paperback retail list price on the first 150,000 thousand or less copies sold in the United States, and on all exported copies, and

10 % of the paperback retail list price on all copies sold thereafter.

(ii) If Publisher shall issue a trade paperback edition of its own, Publisher will pay Author:

8 % of the paperback retail list price on the first 150,000 thousand copies sold in the United States, and 10 % on all copies sold thereafter, and on all exported copies, _____ of the trade paperback royalty rate applicable to U.S. sales at the end of the accounting period.

Unless Author consents in writing, no paperback edition may be issued by Publisher within one year of first publication of the trade edition, and Publisher must give Author 120 days written notice of intention to issue such edition, provided that Publisher must accept any reasonable better offer for paperback publication by a paperback publisher, brought to Publisher by Author prior to the expiration of said 120 day period.

(e) No reduction in royalties shall be allowed for bad debts or for discounts allowed for payment by Publisher's customers within a specified time limit. No royalties shall be paid on copies furnished without charge, and not for resale: (i) to Author; (ii) for review, advertising or public relations; provided, however, that a full royalty shall be paid on each copy of the Work given without charge for resale (for advertising or promotional allowances or other purposes) in connection with the sale of other copies of the Work or the sales of copies of other works.

(f) There shall be no sale of overstock (i.e. copies sold in the United States at 70% discount or more) during the first 18 months after publication. Thereafter, or sooner with the Author's consent, Publisher may sell overstock and shall pay Author 10% of the gross price received, unless the sale is made at or below manufacturing cost, in which case no royalty shall be paid, provided, (i) if Publisher is remaindering all copies as overstock it will give Author 30 days notice, and (ii) if the purchaser is a firm owned or affiliated in any way with Publisher, Author will be paid 10% of the price at which copies are resold by the purchaser.

First Serial Rights

11. (a) Author reserves and may license First Serial rights in the Work in the United States and Canada, and in other countries; and all proceeds from each such license shall belong to Author. "First Serial" right means the right to publish all or part of the Work in a periodical, serially or in one issue, in a country prior to its publication in book form in that country.

(b) If Author notifies Publisher, more than _____ months before the scheduled publication date of the trade edition, that United States and Canadian first serial rights have been licensed, Publisher agrees to postpone publication of said trade edition until completion of the serial publication or for _____ months, whichever occurs sooner.

Book Club, Paperback and Secondary Publishing Rights

12. (a) Publisher shall have exclusive authorization to license on behalf of Author the following rights in the Work in English in the United States, Canada and the Philippines, and in countries and languages for which authorization to license book publication is granted in Paragraph 1 (c) and (d) hereof; and authorization to license non-exclusively on behalf of Author, the following rights in English in the areas specified in Paragraph 1 (b):

- (i) publication by book clubs in complete, condensed or abridged versions; and
- (ii) publication in paperback editions by other publishers after publication in hard-cover book form, provided that unless Author consents in writing, no paperback edition may be issued under such license within one year of first publication of the trade edition; and
- (iii) publications of selections, condensations or abridgements in anthologies, textbook editions or book digests after publication in hard-cover book form; and
- (iv) publication in newspapers and magazines after publication in hard-cover book form, unless disposed of by Author in connection with the disposition of first serial rights.

(b) Licenses for rights specified in Subparagraph (a) shall not be granted by Publisher without Author's consent, which shall not be unreasonably withheld. Publisher shall give Author at least 30 days written notice of the terms of any proposed license. If Author does not respond to the notice within 30 days after mailing thereof, Author shall be deemed to have consented to the license on the terms stated in the notice. Publisher shall provide Author with a copy of each such license promptly after it is executed. Anything in the foregoing notwithstanding, Author's consent shall not be required for any license granted under (iii) or (iv) where the consideration is less than \$ _____ provided Publisher shall give Author 20 days written notice of its terms as aforesaid.

(c) Any license granted by Publisher under (a) (i), (ii) or (iii) must explicitly prohibit the licensee from inserting advertising or other material in its edition of the Work without the written consent of the Author as provided in Paragraph 3.

(d) The gross proceeds of any license for use in the United States, Canada and the Philippines of rights specified in Subparagraph (a), granted by Publisher or Author, shall be divided as follows:

Right Licensed		Proceeds From License	% of Proceeds Payable to Author	% of Proceeds Payable to Publisher
book club [(a) (i)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
paperback reprint [(a) (ii)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
abridgements & selections [(a) (iii)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
newspapers & magazines [(a) (iv)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %

No deduction for attorneys' fees, agents' commissions, duplicate plates or other expenses shall be made from the proceeds of licenses granted by Publisher before payment of the Author's share. Any agents' commissions incurred with respect to licenses granted by Author shall be deducted before dividing the proceeds.

(c) (i) Whenever Author terminates the authorization given Publisher in Paragraphs 1 (c) and 1 (d) to license rights for a given country or language, the authorization to Publisher to grant licenses for Author under this paragraph for such country or language shall automatically terminate, but such termination shall not affect licenses theretofore granted by Publisher under this paragraph.

(ii) At any time after _____ years from the publication of the trade edition, Author may terminate the authorization granted Publisher in Subparagraph (a) with respect to any right for which a license has not been granted, has terminated or is terminable, but such termination shall not affect licenses theretofore granted by Publisher under this paragraph. Thereafter, Author may license any right for which authorization to the Publisher has been terminated.

(iii) The Publisher's share of proceeds of licenses granted by Author or Publisher more than 10 years after first publication of the trade edition shall be one-half the Publisher's share specified in Subparagraph (d).

Film Strips, Microfilm, Reprography, Computers, etc.

13. (a) Author and Publisher shall jointly make licenses for use of the following rights in the United States, Canada and the Philippines, and in countries and languages for which authorization (to Publisher) to license book publication is granted in Paragraphs 1 (c) and (d), and, non-exclusively, in the areas specified in Paragraph 1 (b), and neither shall unreasonably refuse to execute a license for the following rights which the other proposes be made by them:

The rights to produce, incorporate or otherwise use the illustrations and text of the Work or any portion thereof in:

- (i) film strips, transparencies or slides;
- (ii) microfilm, microfiche card, or other microfiche reproduction;
- (iii) electronic, photographic, chemical or other methods of reprography;
- (iv) programmed instruction;
- (v) computers or computer programs;
- (vi) systems for the storage and retrieval, dissemination and reproduction of information by any means.

Publisher shall provide Author with a copy of each such license promptly after it is executed.

(b) The proceeds of any license for rights specified in (a) shall be divided: 50 % to Author; 50 % to Publisher.

(c) (i) Whenever Author terminates the authorization given Publisher in Subparagraphs 1 (c) or (d) to license rights on his behalf in a given country or language, Author shall thereafter have sole authority to grant licenses for rights specified in (a), but licenses theretofore granted jointly by Author and Publisher shall not be affected.

(ii) After 1 years from first publication of the trade edition, the Author shall have sole authority to grant licenses for the rights specified in (a).

(iii) The Publisher's share of proceeds of licenses granted by Author or Publisher more than 10 years after first publication of the trade edition shall be one-half the Publisher's share specified in (b).

Stage, Record, Radio, Motion Picture, Television and Audio-Visual Rights

14. (a) The Author reserves the right to license or dispose of, at any time, the rights to make any and all uses of the Work, and dramatizations and adaptations thereof, in the following media, and to sell, lease, distribute, exhibit, perform, disseminate and broadcast records, films, television recordings and other recordings, by methods now or hereafter known, of readings, performances and other presentations of the Work and adaptations and dramatizations thereof:

- (i) records, tapes or other methods of audio reproduction;
- (ii) live theatre, motion pictures, free, cable and pay television and radio and other means of disseminating or distributing performances;
- (iii) audio/video recordings of the Work, or any dramatic, motion picture or television version of the Work, by any device or system now or hereafter known.

(b) Proceeds of any licenses granted pursuant to Subparagraph (a) shall be the sole property of the Author.

Proceeds from Foreign Licenses

15. (a) Gross proceeds from licenses granted by Publisher pursuant to Pars. 1 (c), 12 (a), or 13 (a) in the British Commonwealth (except Canada) or the Republics of Ireland and South Africa shall be divided: 75 % to Author; and 25 % to Publisher, without any deduction for agents', attorneys' fees and other expenses.

(b) Gross proceeds of licenses granted by Publisher pursuant to Pars. 1 (d), 12 (a), or 13 (a) in languages other than English in all countries shall be divided: 75 % to Author; and 25 % to Publisher, without any deduction for agents' commissions, attorneys' fees or other expenses.

Advertising

16. Where performance rights are licensed or disposed of pursuant to Par. 14, licensor may grant to the licensee or purchaser the right to publish excerpts or summaries of the Work not to exceed 7,500 words for purposes of advertising and promotion of the derivative work produced pursuant to the license, provided such permission requires the licensee to take all necessary action to protect the copyright in the Work. Publisher may use Author's name and photograph, in reasonable manner, in advertisements and promotional material for the Work.

Reservation of Rights to Author

17. All rights in the Work not specifically granted herein to Publisher are reserved to Author and may be exercised or disposed of by Author at any time during the term of this Agreement.

Accounting and Payments

18. (a) Publisher shall prepare statements accounting for all payments due Author under this Agreement during each of the following periods in every year (insert months and days)

From _____ to _____
From _____ to _____
From _____ to _____
From _____ to _____

Publisher shall mail each such statement to Author within 30 days after the close of each period accompanied by payment to the Author of the amounts due him hereunder for said period. Each statement shall report, for each category of sales by Publisher, the number of copies sold (and total sales to date), the list price, the royalty rate, amount of royalties, and the number of returns; the gross amount received pursuant to each license granted by Publisher; and itemized deductions. With each royalty statement, Publisher shall send Author copies of statements received by Publisher from its licensees during the accounting period. The royalty statements covering the first 12 months after publication shall also state the number of copies in each royalty category printed, bound, and given away in the period, and the number of saleable copies on hand at the end of the period; and Publisher shall provide this information for any subsequent periods at Author's request.

(b) Anything in (a) above to the contrary notwithstanding, Publisher shall pay Author any advances or royalties received by Publisher from book clubs, reprint publishers or other licensees within 20 days after Publisher receives such payments, accompanied by a copy of the statement of account provided by such licensee to Publisher.

(c) For the first 2 accounting periods following the publication date of the trade edition, Publisher may withhold from payment to Author a reasonable reserve for return copies not to exceed 15% of royalties payable to Author under Paragraphs 10 (a) and (b) as reflected on each such statement. The balance of such reserve, at the close of the last of said accounting periods, shall be paid to Author with the payments for the following accounting period.

(d) Upon his written request, Author or his designated representative may examine the books and records of Publisher which relate to sales of copies or licenses of the Work. If such examination discloses an error of more than 5% with respect to any royalty statement, Publisher shall reimburse Author for Author's costs of the examination; otherwise such costs shall be borne by Author.

(delete if not applicable) (e) Notwithstanding the foregoing provisions of this paragraph, if the money payable to Author hereunder shall, in any calendar year, exceed the sum of \$_____, Author shall be paid the said sum of \$_____ in that year, and the unpaid balance of any amounts accrued to Author in that year and/or prior years shall be paid to Author in the subsequent calendar year or years, and each such subsequent annual payment shall be subject to the same maximum. In the event of Author's death, this provision may be terminated on written notice by his executors, administrators or heirs.

Author's Copies

19. On publication of the trade edition, Publisher will give to Author 10 free copies of the said edition; and Author may purchase additional copies at a discount of 50 % from the retail price.

Out of Print Provisions

20. (a) For the purposes of this Agreement, the Work shall be deemed "in print" only when copies are available and offered for sale in the United States through normal retail channels in an English language, hard-cover or paperback edition issued by Publisher or pursuant to a license granted by Publisher, to another publisher under this Agreement, and listed in the catalog issued to the trade by the Publisher or his licensee.

(b) The Work shall not be deemed "in print" by virtue of the reproduction of copies by reprographic processes such as Xerox, whether performed by Publisher or licensee, or if it is available by any medium or means other than the hard-cover and paperback editions referred to in (a) above.

(c) If Publisher fails to keep the Work in print, Author may at any time thereafter serve a written request on Publisher that the Work be placed in print. Within 60 days from receipt of such request, Publisher shall notify Author in writing whether it intends to comply with said request. If Publisher fails to give such notice or, having done so, fails to place the Work in print as specified in (a) within six months after receipt of said request from Author, then, in either event, this Agreement shall automatically terminate and all rights granted to Publisher shall thereupon automatically revert to Author.

(d) Anything to the contrary in (a), (b) or (c) above notwithstanding, if during any calendar year following the tenth full calendar year after the publication date of the trade edition the royalties payable to Author under Par. 10 above do not exceed \$ 1,000 Author may terminate this Agreement by written notice given within 30 days after he receives the last statement covering payments due for such calendar year. Upon such termination all rights granted herein shall automatically revert to Author.

(e) Upon any termination and reversion of rights pursuant to (c) or (d) above, Publisher will continue to receive such share of proceeds of licenses theretofore granted by Publisher or Author to the extent provided in Paragraphs 12, 13 and 15 above, and Author shall be paid his share directly by the licensee. Publisher shall not receive any share of the proceeds from licenses granted by Author after such termination and reversion.

(f) If Publisher determines to discontinue publication of the Work because it is no longer profitable, Publisher shall notify Author in writing and upon the giving of such written notice this Agreement shall automatically terminate and all rights shall revert to Author subject to the provisions of (e) above.

(g) Upon any termination under Par. 20, Author may, on written notice given within 20 days of such termination, thereafter purchase the plates, offset negatives or computer drive tapes (if in existence) at their scrap value and any remaining copies at cost; otherwise Publisher may dispose of said materials, subject to the royalty provisions of this Agreement.

(h) Upon any termination under Par. 20, Author shall be entitled to retain any advances paid to him under this Agreement and to receive any sums accruing to him and unpaid at the time of the termination.

Return of Manuscript

21. Publisher shall return the original manuscript of the Work to Author within 30 days after publication. If Author requests in writing, prior to publication, Publisher shall furnish Author with a set of the proofs; absent such request Publisher may dispose of the proofs.

Bankruptcy and Liquidation

22. If Publisher is adjudicated a bankrupt or makes an assignment for the benefit of creditors or liquidates its business, this Agreement shall thereupon terminate and all rights granted to Publisher shall automatically revert to Author, subject to the provisions of Paragraphs 20 (e) and (g).

Suits For Infringement

23. (a) If there is an infringement of any rights granted to Publisher or which Publisher is authorized to license or share in the proceeds of, Author and Publisher shall have the right to participate jointly in an action for such infringement; and if both participate, they shall share the expenses of the action equally and shall recoup such expenses from any sums recovered in the action. The balance of the proceeds shall be divided equally between them, except that with respect to any rights specified in Paragraphs 12 and 13 the said balance shall be divided in the proportions provided in said Paragraphs. Each party will notify the other of infringements coming to its attention.

(b) If either party declines to participate in such action, the other may proceed; the party maintaining the action shall bear all costs and expenses which shall be recouped from any damages recovered from the infringement; the balance of such damages shall be divided between them as provided in (a) above.

Governing Law

24. This Agreement shall be interpreted under the laws of the State of New York.

Adjudication of Disputes

25. Any controversy arising under Paragraphs _____ shall be submitted to arbitration before the American Arbitration Association in accordance with its rules and judgment confirming the Arbitrator's award may be entered in any court of competent jurisdiction. All other controversies shall be litigated in a court of competent jurisdiction.

Successors and Assigns

26. This Agreement shall be binding on the parties and upon their respective heirs, administrators, successors and assigns. This Agreement may not be assigned by either party without written notice sent to the other; provided that in no event may the Publisher assign, license or otherwise transfer to others its obligation to publish and distribute the United States trade edition of the Work during the 18 months following said publication.

Waiver or Modification

27. This Agreement constitutes the complete understanding of the parties and no waiver or modification of any provisions shall be valid unless in writing, signed by Author and Publisher. The waiver of a breach or of a default under any provision hereof shall not be deemed a waiver of any subsequent breach or default.

Notices

28. Any notice required to be sent hereunder shall be sent by first class mail, postage prepaid, to the Author or Publisher at the addresses given in the preamble of this Agreement, which addresses may be changed by either of them by written notice to the other. Where the Author has designated an agent, Publisher shall furnish both Author and agent with a copy of each notice.

Riders and Additional Clauses (attach additional pages if required)

* the performance of publisher or author pursuant to this agreement is subject to force majeure, acts of war, strikes, or other conditions beyond control,

IN WITNESS WHEREOF the parties have duly executed this Agreement the day and year first above written.

Author

Publisher

By _____
Signer's Title

Eugene J. McCarthy

1420 N Street, Northwest
Washington, D.C. 20005

Biz Van Gelder, Esq.
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

HAND DELIVERY

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July 5, 1978

PATRICK J. OGDEN, III
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Ms. Biz Van Gelder
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C.

RE: MUR 485 (77)

Dear Ms. Van Gelder,

Respecting this MUR, please find enclosed a copy of an Affidavit to be signed by Eugene J. McCarthy, a copy of a letter from Shrikumar Poddar to Senator McCarthy dated October 41, 1977, a bibliography of books published by Senator McCarthy, and CCP campaign literature, which is being submitted pursuant to the Commission's subpoena.

Senator McCarthy has been travelling extensively and this is the reason for the delay in submitting the affidavit. He will sign the original tomorrow and I will have it delivered to you.


The letter from Mr. Poddar discusses the book agreement and predates Bruce Brown's complaint by more than two months. Bob Ourlan, who is mentioned in the letter, was hired as a researcher for the book project. His salary and expenses were paid for by Washington Watch and McCarthy on a 50-50 basis, which they felt was appropriate since the letter of agreement specified a 50-50 split in earnings on the book.

The bibliography is attached to document for the record that Senator McCarthy is an established writer. In addition to these books, he has written numerous articles for various periodicals, and writes a weekly column for the Sunday Washington Star.

Concerning the campaign literature, Mary Meehan advises me that she does not have copies of some of it. She requests that you make copies of whatever literature you need, and return the originals to the CCP.

Should you need any further information or have any questions please call me at your convenience.

Sincerely,


James Buckley Ostmann

Shrikumar Poddar

South Point Plaza
Lansing, Michigan 48910
Phone: (517) 393-0250

October 14th 1977

My dear Sen. McCarthy:

Attached with the letter is a copy of the renewal of the note of last year as per your request.

I will appreciate if you will sign the same and return the original to me wither by mail or with Mr. Ourlian.

After you have had a chance to interview with Mr. Ourlian, I would like to discuss with you the specific details of his assignment.

As you know, I will be leaving for India next year in July, I would like to see the book project in competent hands as far as business end is concerned.

I have contacted several publishers and they have all said that they cannot discuss any advance until we have a strong outline of the book, its rationale and also one or two chapters written.

In order to have the book ready for publication in Fall of 1977...the manuscript is due by end of this year or certainly very early the next year.

Mr. Ourlian's salary requirements are less than \$ 200/week and say for six to eight months assignment we are talking about \$ 5,000 to \$6,600 for his salaries plus expenses.

My own financial position after the Indian elections is not very good and Washington Watch continues to have large accumulated deficits.

The question to be decided is how much will cost in time and money to get to an outline stage plus one chapter of the book AND afterwards if we wish to consider selling the rights to a publisher or publishing the book ourselves.

I would like your views on both of these questions.

Let us hope this book breaks all bestseller records.

With fondest regards and appreciation ,

Sincerely yours,

Shrikumar Poddar

Shrikumar Poddar, Publisher
Washington Watch Inc.

My phone no is

517-351-6249

(line answers - 393-0250)

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AFFIDAVIT

EUGENE J. MC CARTHY, being first duly sworn, deposes and says the following:

1. I was an independent candidate for the office of President of the United States in the election of 1976.

2. During early 1976, I had various discussions with Shrikumar Poddar concerning the assignment of certain rights in a book to be written by me to Washington Watch, a Michigan corporation of which Mr. Poddar is president. The subject of the book was to be politics and the 1976 presidential election. Mr. Poddar approached me with the proposal.

3. These discussions included the possibility that I would enter a contract for the publication of the book with Washington Watch. For such purpose, I obtained a formal publication contract, a copy of which is attached hereto as Exhibit I. However, at the time my commitments to my candidacy were such that I could not negotiate such an agreement.

4. During June or July, 1976, Washington Watch and I signed a letter of agreement, addressed to me by Washington Watch, that provided that Washington Watch obtained certain rights in such a book in consideration of a loan to me. The amount of the loan was not mentioned in the letter. The agreement further provided that, upon my signing an agreement with Washington Watch for the publication of the book that the loan would convert to an advance against royalties, and that Washington Watch and I would share the profits of the book equally.

5. On or about October 6, 1976, I signed a note evidencing receipt from and the obligation to repay Washington Watch the total sum of \$51,000.00. This was the loan mentioned in the letter of agreement above described.

6. The moneys received from Washington Watch pursuant to the note and letter of agreement were received by me personally and were not paid to my campaign or national committees by Washington Watch, and were not political contributions. The agreement was a personal business agreement between myself as a writer and Washington Watch.

7. A search of my records has been made and I am unable to find the original or any copies of the letter of agreement.

8. After the election of 1976, Mr. Poddar and I had various conversations about the book and the letter of agreement with Washington Watch. We agreed that I would attempt to find a major publisher for the book, and Washington Watch would do the same. In April of 1978 I entered into a contract with Harcourt Brace Yovanovich for the publication of the book.

9. In light of the Harcourt Brace contract, Washington Watch and I, through counsel and directly, are presently negotiating an agreement respecting the loan and letter of agreement. Though the details remain to be resolved, the agreement essentially will assign portions of my royalties under the Harcourt Brace contract to Washington Watch as payment for the note and whatever rights Washington Watch had received concerning the book in the letter of agreement.

DATED: _____

EUGENE J. MC CARTHY

Subscribed and sworn to this _____ day of _____,
1978 before me, a notary public, State of _____, county
of _____.

Notary Public

My commission expires:

BOOKS BY EUGENE J. McCARTHY

Frontiers in American Democracy. Cleveland: World Publishing Co., 1960.

The Crescent Dictionary of American Politics. New York: Macmillan Co., 1962 & 1968.

A Liberal Answer to the Conservative Challenge. New York: Macfadden-Bartell Corp., 1964.

The Limits of Power: America's Role in the World. New York: Holt, Rinehart & Winston, 1967.

The Year of the People. Garden City, NY: Doubleday & Co., 1969.

Other Things and the Aardvark. Garden City, NY: Doubleday & Co., 1970.

The Hard Years: A Look at Contemporary America and American Institutions. New York: The Viking Press, 1975.

Mr. Raccoon and His Friends. Chicago: Academy Press Limited, 1977.

To Be Published in 1978:

America Revisited: 150 Years After Tocqueville. Garden City, NY: **Doubleday & Co.**, 1978 (scheduled for August publication).

Political Bestiary (co-authored by James J. Kilpatrick). New York: McGraw-Hill, 1978 (scheduled for October publication).

Jedden

Agreement dated _____, 197____, between _____

("Author") whose address is _____

and _____

("Publisher") whose address is _____

for a work by Author now entitled _____ (the "Work").

THE PARTIES AGREE as follows:

Book Publishing and Translation Rights

1. Author hereby grants Publisher, during the first term of United States Copyright in the Work:

(a) The exclusive right to "publish" (i.e. print, publish and sell) the Work in book form in English in the United States and its territories, Canada and the Philippines; and

(b) The non-exclusive right to publish the Work in book form in English in other countries except the British Commonwealth (except Canada) and the Republics of Ireland and South Africa; and

(c) The exclusive authorization to license on the Author's behalf the right to publish the Work in book form in English in the British Commonwealth (except Canada) and the Republics of Ireland and South Africa; provided that Author may terminate such authorization at any time after 12 months from first United States trade book publication, for any country for which a license has not been granted, has terminated, or is terminable; and(d) The exclusive authorization to license on the Author's behalf the right to translate and publish the Work in book form in languages other than English in all countries; provided that Author may terminate such authorization, at any time after 12 months from first United States trade book publication, for any country and/or language for which a license has not been granted, has terminated or is terminable.

On request, Publisher shall provide Author with copies of any licenses granted under (c) or (d).

Delivery of Work, Additional Materials and Permissions

2. (a) On or before _____, Author will deliver to Publisher one clean, legibly typed manuscript of the completed work, approximately _____ words long.

(b) If Author fails to deliver the manuscript within ninety days after the date specified in Par. 2 (a), Publisher may send Author written notice of intention to terminate this Agreement. Unless Author delivers the completed manuscript to Publisher within twenty days of the mailing of the notice, this Agreement shall terminate and Author shall repay to Publisher any amounts previously paid to Author by Publisher hereunder. Anything to the contrary notwithstanding, should Author be prevented by illness, accident or military service from completing the manuscript, then the time for delivery of the manuscript, or changes pursuant to Par. 3 (c), shall be extended until three months following the termination of Author's incapacity or service, provided that if the manuscript, or changes, are not delivered within 12 months from the delivery date specified in (a) or such later date as is mutually agreed to, Publisher may terminate this agreement on 90 days written notice.

(c) (i) The following additional materials shall be provided and paid for as indicated below:

	Provided by (insert "publisher," "author" or "none")	Number and Description	Costs and Fees Paid by			
			Publisher		Author	
photographs	_____	_____	50	%	30	%
drawings	_____	_____	50	%	50	%
maps	_____	_____	50	%	50	%
tables	_____	_____	50	%	50	%
charts	_____	_____	60	%	50	%
other illustrations	_____	_____	50	%	60	%
index	_____	_____	50	%	50	%

Photographs, drawings, maps and other illustrations shall be in form suitable for retouching and reproduction by Publisher; index, tables and charts shall be in a form from which type can be set.

(ii) If Author does not submit additional materials to be provided by him within a reasonable time after submission of manuscript and prior to publication, Publisher shall, after 30 days written notice to Author, provide such materials at Author's expense.

(iii) Any permissions required to use material copyrighted by others shall be obtained by Publisher and any fees for such permissions shall be paid as follows: 50 % by Publisher, 50 % by Author.

(iv) Any share of costs or permission fees payable by Author under (i), (ii) or (iii) above shall be advanced by Publisher and repaid only by deductions from royalties or other earnings payable to Author hereunder.

Acceptance of Manuscript and Changes

3. (a) No one except the Author may make changes in the Work. The title may be changed only by mutual consent of Author and Publisher. Advertising, or material by others, may not be inserted or printed in any edition of the Work, whether issued by Publisher or its licensees, without Author's written consent (provided that titles of other works may be listed at the end of paperback editions licensed hereunder); such consent may be withheld in Author's sole discretion, and he may require that a share of the advertising proceeds be paid to him, as a condition for his consent, if he elects.

(b) The manuscript shall be deemed satisfactory in content to the Publisher unless within 60 days of its receipt Publisher gives Author written notice of the respects in which Publisher claims the manuscript is unsatisfactory.

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(c) Author shall have 60 days from receipt of that notice to make and submit such changes as he believes are reasonably required.

(d) If Publisher gives notice under (b) and the changes submitted are not satisfactory to Publisher, or no changes are submitted, then Publisher may terminate this contract by written notice to Author given within 60 days after submission of the changes pursuant to (c), or if no changes are submitted within 75 days after giving of notice pursuant to (b), provided that Publisher's claims under (b) shall be reasonable and not arbitrary; and upon such notice of termination Author shall repay to Publisher 0 % of any advances theretofore paid under this Agreement, but only from money derived by Author from the publication of the book by another publisher.

Warranties and Indemnities

4. (a) Author represents and warrants that: (i) He is the sole Author of the Work; now owns all rights in it granted hereunder, free of liens or encumbrances; and has full power to execute this Agreement; (ii) The Work is original with him, and has not been published (if there has been any prior publication, add "except" — and describe);

(iii) The Work does not infringe statutory copyrights or common law literary rights of others, and, to his knowledge, does not violate the rights of privacy of, or libel, other persons.

(b) (i) Author agrees to indemnify and hold harmless the Publisher, and the publisher of any reprint or book club editions of the Work licensed by Publisher pursuant to this Agreement, against any final judgment for damages (after all appeals have been taken) against them in any action arising out of facts which constitute a breach of the foregoing warranties and reasonable costs and attorneys' fees incurred by them in defending an action in which such judgment is recovered, provided that Author's liability hereunder is limited to 50 % of the sums payable to him under this Agreement or \$ _____, whichever is lesser.

(ii) The aforesaid indemnity shall not apply to any material inserted in the Work by Author in response to Publisher's request nor to any material which Publisher could have determined, from a reading of the Work, violated any rights specified in (a) (iii).

(c) (i) Publisher shall give Author prompt notice of any suit brought against Publisher or its paperback or book club licensees alleging facts which, if proven, would constitute a breach of the warranties in Subparagraph (a). Author may, if he chooses, defend such suit with counsel of his own choosing, at his own expense; provided that if he does, Publisher may nonetheless participate in the defense with counsel of its choosing and at its own expense.

(ii) If Author shall defend such suit, he shall not be responsible for Publisher's attorneys' fees or costs, Subparagraph (b) notwithstanding.

(iii) If such suit is brought, Publisher may hold in escrow up to 15 % of each of the next three payments due under Paragraph 18 until after the suit is terminated, or until three years after its commencement, whichever occurs first; but in no event may the amount withheld exceed the amount of damages claimed in the complaint.

Correction of Proof

5. Publisher shall furnish Author with copy edited galley and page proofs of the Work (or retyped manuscript where composition is done by computer or similar means) and Author will read, revise (if necessary) and return said proofs promptly. If revisions in the proofs, retyped manuscript or plates are made at Author's request other than to correct printer's or editor's errors or additions (for which Publisher shall pay) the cost of such revisions in excess of \$ 100 or 35 % of the cost of composition, whichever is greater, shall be charged to Author and deducted from the income payable to him hereunder. Such charges and deductions shall not be made, however, unless Publisher submits to Author, within 90 days after the date of first publication hereunder, an itemized statement of the charges and costs of such revisions; and Author or his representative may inspect Publisher's books and records relating to such charges.

Publication of Trade Edition

6. Publisher shall first publish the Work in the United States in English in a hard-cover book form (herein called the "trade edition") within twelve months after delivery of the manuscript of the completed Work under Paragraph 2 (a). Should war, fire or similar disaster beyond Publisher's control delay such publication, the trade edition will be published within six months after termination of such disaster, but in no event later than twenty-four months after delivery of the said manuscript. If the Publisher fails to publish the trade edition within the applicable time period aforesaid, Author may terminate this Agreement on ten days written notice, and all rights shall thereupon revert to Author; and upon such termination Author shall be entitled to retain any advances theretofore paid to him by Publisher hereunder. The format, style of composition and price of the trade edition shall be determined by Publisher. Publisher will consult in advance with Author concerning the format and style of the trade edition, and concerning the text, graphic material and style of the dust jacket. Publisher will use its best efforts to promote the sale of copies of the Work, and to exploit the rights therein which Publisher is authorized by this Agreement to license.

Copyright

7. Publisher shall print in every copy of the Work proper United States copyright notice containing Author's name, sufficient to secure United States copyright and Universal Copyright Convention protection in the Work for Author. Publisher shall duly register a claim for United States copyright in the Work in Author's name; and shall file an application for renewal thereof in Author's name. Every license granted by Publisher to reprint, or reproduce, or otherwise use, all or a portion of the Work shall contain a specific requirement that the licensee will print a proper copyright notice in each copy, and take any other steps required, to preserve Author's copyright. In licensing foreign language rights, Publisher shall provide that copyright in the Work is secured in Author's name, and Publisher shall use its best efforts to obtain agreement that copyright in each translation is secured for, or assigned to, Author.

Prior Publication

8. Author shall notify Publisher of any publication of all or a portion of the Work prior to the publication of the trade edition; and Author shall provide Publisher with any assignment of copyright or other document necessary to enable Publisher to secure copyright in the Work in Author's name.

Advances

9. Publisher will pay Author, as an advance against all sums payable by Publisher to Author under Pars. 10, 12, 13 and 15 of this Agreement, the sum of \$ 25,000, payable as follows:

On signing of this Agreement: \$ 25,000

On _____ : \$ _____

On _____ : \$ _____

Provided that the manuscript of the completed Work is delivered pursuant to Paragraphs 2 and 3, the foregoing advances shall not be repayable and shall be recouped by Publisher only from royalties and other amounts payable to Author under this Agreement, provided further that no more than 15 % of any payments due to Author pursuant to Paragraph 12 hereof may be applied by Publisher to the recoupment of said advances; and that no portion of proceeds from licenses of first serial rights may be applied by Publisher to the recoupment of said advances.

Royalties

10. (a) Publisher shall pay Author the following royalties on each copy of the trade edition sold by Publisher in the United States, less returns:

- (i) On the first 5 thousand copies sold: 10 % of Publisher's suggested retail list price (hereinafter called "retail price");
- (ii) On the next 5 thousand copies sold: 12 1/2 % of retail price;
- (iii) On all copies in excess of 10 thousand copies: 15 % of retail price.
- (iv) Provided, however, that if and whenever the said retail price is less than \$ _____ per copy, the retail price of the trade edition shall be deemed to be \$ _____ for the purpose of computing and paying royalties to Author under Par. 10.

(b) When, in any accounting period, Publisher grants quantity discounts in the United States of more than 48% on single title orders of 1,000 or more copies of the Work, the royalty on such copies shall be the royalty in (a), applicable at the end of said accounting period, reduced by one-half of one percent (1/2%) for each one percent (1%) of discount exceeding 48%; provided that the royalty rate shall not be reduced to less than _____ of the applicable rate in (a). No adjustments shall be made for fractions of percentages.

(c) Publisher will pay Author the following royalty for each copy sold by Publisher, less returns:

(i) To consumers by mail order, or coupon, radio or television advertising.

(ii) Trade edition copies, bound or unbound, exported to Canada.

(iii) Bound trade edition copies exported elsewhere.

(iv) Library-bound edition copies sold outside regular wholesale and retail trade channels (the regular rates in (a) above will be paid on sales through regular channels).

(v) On copies sold in sheets for export, other than to the British Commonwealth, at a price exclusive of royalty.

(vi) On copies sold in sheets for export, other than to the British Commonwealth, at a price inclusive of royalty.

(vii) On copies sold in sheets for export to a publisher in the British Commonwealth (except Canada) licensed to publish under Paragraph 1 (c).

(1) One-half of the royalty rate in (a) applicable at the end of the accounting period (but not less than 5% of the U.S. retail price).

(2) One-half of the royalty rate in (a) applicable at the end of the accounting period (but not less than 6% of the U.S. retail price).

(3) Two-thirds of the royalty rate in (a) applicable at the end of the accounting period (but not less than 8% of the U.S. retail price).

(4) The royalty rate in (a) above, calculated on the net catalogue price of the edition.

(5) 50 % of Publisher's net receipts (but not less than 18%).

(6) One-half the sum accruing over and above the actual manufacturing cost (not including any overhead), or 18% of Publisher's net receipts, whichever is greater.

(7) A royalty rate to be agreed upon.

In determining the royalty rate in (a) above, all copies sold under (a) and (b), and (c) (i) through (iv), shall be included as total sales under (a).

(d) (i) If Publisher shall issue its own mass-market, newsstand paperback edition, Publisher will pay Author:

8 % of the paperback retail list price on the first 150,000 thousand or less copies sold in the United States, and on all exported copies, and

10 % of the paperback retail list price on all copies sold thereafter.

(ii) If Publisher shall issue a trade paperback edition of its own, Publisher will pay Author:

8 % of the paperback retail list price on the first 150,000 thousand copies sold in the United States, and 10 % on all copies sold thereafter; and on all exported copies, _____ of the trade paperback royalty rate applicable to U.S. sales at the end of the accounting period.

Unless Author consents in writing, no paperback edition may be issued by Publisher within one year of first publication of the trade edition, and Publisher must give Author 120 days written notice of intention to issue such edition, provided that Publisher must accept any reasonable better offer for paperback publication by a paperback publisher, brought to Publisher by Author prior to the expiration of said 120 day period.

(e) No reduction in royalties shall be allowed for bad debts or for discounts allowed for payment by Publisher's customers within a specified time limit. No royalties shall be paid on copies furnished without charge, and not for resale: (i) to Author, (ii) for review, advertising or public relations; provided, however, that a full royalty shall be paid on each copy of the Work given without charge for resale (for advertising or promotional allowances or other purposes) in connection with the sale of other copies of the Work or the sales of copies of other works.

(f) There shall be no sale of overstock (i.e. copies sold in the United States at 70% discount or more) during the first 18 months after publication. Thereafter, or sooner with the Author's consent, Publisher may sell overstock and shall pay Author 10% of the gross price received, unless the sale is made at or below manufacturing cost, in which case no royalty shall be paid, provided, (i) if Publisher is remaindering all copies as overstock it will give Author 30 days notice, and (ii) if the purchaser is a firm owned or affiliated in any way with Publisher, Author will be paid 10% of the price at which copies are resold by the purchaser.

First Serial Rights

11. (a) Author reserves and may license First Serial rights in the Work in the United States and Canada, and in other countries; and all proceeds from each such license shall belong to Author. "First Serial" right means the right to publish all or part of the Work in a periodical, serially or in one issue, in a country prior to its publication in book form in that country.

(b) If Author notifies Publisher, more than _____ months before the scheduled publication date of the trade edition, that United States and Canadian first serial rights have been licensed, Publisher agrees to postpone publication of said trade edition until completion of the serial publication or for _____ months, whichever occurs sooner.

Book Club, Paperback and Secondary Publishing Rights

12. (a) Publisher shall have exclusive authorization to license on behalf of Author the following rights in the Work in English in the United States, Canada and the Philippines, and in countries and languages for which authorization to license book publication is granted in Paragraph 1 (c) and (d) hereof; and authorization to license non-exclusively on behalf of Author, the following rights in English in the areas specified in Paragraph 1 (b):

- (i) publication by book clubs in complete, condensed or abridged versions; and
- (ii) publication in paperback editions by other publishers after publication in hard-cover book form, provided that unless Author consents in writing, no paperback edition may be issued under such license within one year of first publication of the trade edition; and
- (iii) publications of selections, condensations or abridgements in anthologies, textbook editions or book digests after publication in hard-cover book form; and
- (iv) publication in newspapers and magazines after publication in hard-cover book form, unless disposed of by Author in connection with the disposition of first serial rights.

(b) Licenses for rights specified in Subparagraph (a) shall not be granted by Publisher without Author's consent, which shall not be unreasonably withheld. Publisher shall give Author at least 30 days written notice of the terms of any proposed license. If Author does not respond to the notice within 30 days after mailing thereof, Author shall be deemed to have consented to the license on the terms stated in the notice. Publisher shall provide Author with a copy of each such license promptly after it is executed. Anything in the foregoing notwithstanding, Author's consent shall not be required for any license granted under (iii) or (iv) where the consideration is less than \$ _____ provided Publisher shall give Author 20 days written notice of its terms as aforesaid.

(c) Any license granted by Publisher under (a) (i), (ii) or (iii) must explicitly prohibit the licensee from inserting advertising or other material in its edition of the Work without the written consent of the Author as provided in Paragraph 3.

(d) The gross proceeds of any license for use in the United States, Canada and the Philippines of rights specified in Subparagraph (a), granted by Publisher or Author, shall be divided as follows:

Right Licensed		Proceeds From License	% of Proceeds Payable to Author	% of Proceeds Payable to Publisher
book club [(a) (i)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
paperback reprint [(a) (ii)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
abridgements & selections [(a) (iii)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %
newspapers & magazines [(a) (iv)]	first	\$ _____	50 %	_____ %
	next	\$ _____	_____ %	_____ %
	above	\$ _____	_____ %	_____ %

No deduction for attorneys' fees, agents' commissions, duplicate plates or other expenses shall be made from the proceeds of licenses granted by Publisher before payment of the Author's share. Any agents' commissions incurred with respect to licenses granted by Author shall be deducted before dividing the proceeds.

(c) (i) Whenever Author terminates the authorization given Publisher in Paragraphs 1 (c) and 1 (d) to license rights for a given country or language, the authorization to Publisher to grant licenses for Author under this paragraph for such country or language shall automatically terminate, but such termination shall not affect licenses theretofore granted by Publisher under this paragraph.

(ii) At any time after _____ years from the publication of the trade edition, Author may terminate the authorization granted Publisher in Subparagraph (a) with respect to any right for which a license has not been granted, has terminated or is terminable, but such termination shall not affect licenses theretofore granted by Publisher under this paragraph. Thereafter, Author may license any right for which authorization to the Publisher has been terminated.

(iii) The Publisher's share of proceeds of licenses granted by Author or Publisher more than 10 years after first publication of the trade edition shall be one-half the Publisher's share specified in Subparagraph (d).

Film Strips, Microfilm, Reprography, Computers, etc.

13. (a) Author and Publisher shall jointly make licenses for use of the following rights in the United States, Canada and the Philippines, and in countries and languages for which authorization (to Publisher) to license book publication is granted in Paragraphs 1 (c) and (d), and, non-exclusively, in the areas specified in Paragraph 1 (b), and neither shall unreasonably refuse to execute a license for the following rights which the other proposes be made by them:

The rights to produce, incorporate or otherwise use the illustrations and text of the Work or any portion thereof in:

- (i) film strips, transparencies or slides;
- (ii) microfilm, microfiche card, or other microfiche reproduction;
- (iii) electronic, photographic, chemical or other methods of reprography;
- (iv) programmed instruction;
- (v) computers or computer programs;
- (vi) systems for the storage and retrieval, dissemination and reproduction of information by any means.

Publisher shall provide Author with a copy of each such license promptly after it is executed.

(b) The proceeds of any license for rights specified in (a) shall be divided: 50 % to Author; 50 % to Publisher.

(c) (i) Whenever Author terminates the authorization given Publisher in Subparagraphs 1 (c) or (d) to license rights on his behalf in a given country or language, Author shall thereafter have sole authority to grant licenses for rights specified in (a), but licenses theretofore granted jointly by Author and Publisher shall not be affected.

(ii) After 1 years from first publication of the trade edition, the Author shall have sole authority to grant licenses for the rights specified in (a).

(iii) The Publisher's share of proceeds of licenses granted by Author or Publisher more than 10 years after first publication of the trade edition shall be one-half the Publisher's share specified in (b).

Stage, Record, Radio, Motion Picture, Television and Audio-Visual Rights

14. (a) The Author reserves the right to license or dispose of, at any time, the rights to make any and all uses of the Work, and dramatizations and adaptations thereof, in the following media, and to sell, lease, distribute, exhibit, perform, disseminate and broadcast records, films, television recordings and other recordings, by methods now or hereafter known, of readings, performances and other presentations of the Work and adaptations and dramatizations thereof:

- (i) records, tapes or other methods of audio reproduction;
- (ii) live theatre, motion pictures, free, cable and pay television and radio and other means of disseminating or distributing performances;
- (iii) audio/video recordings of the Work, or any dramatic, motion picture or television version of the Work, by any device or system now or hereafter known.

(b) Proceeds of any licenses granted pursuant to Subparagraph (a) shall be the sole property of the Author.

Proceeds from Foreign Licenses

15. (a) Gross proceeds from licenses granted by Publisher pursuant to Pars. 1 (c), 12 (a), or 13 (a) in the British Commonwealth (except Canada) or the Republics of Ireland and South Africa shall be divided: 75 % to Author; and 25 % to Publisher, without any deduction for agents', attorneys' fees and other expenses.

(b) Gross proceeds of licenses granted by Publisher pursuant to Pars. 1 (d), 12 (a), or 13 (a) in languages other than English in all countries shall be divided: 75 % to Author; and 25 % to Publisher, without any deduction for agents' commissions, attorneys' fees or other expenses.

Advertising

16. Where performance rights are licensed or disposed of pursuant to Par. 14, licensor may grant to the licensee or purchaser the right to publish excerpts or summaries of the Work not to exceed 7,500 words for purposes of advertising and promotion of the derivative work produced pursuant to the license, provided such permission requires the licensee to take all necessary action to protect the copyright in the Work. Publisher may use Author's name and photograph, in reasonable manner, in advertisements and promotional material for the Work.

Reservation of Rights to Author

17. All rights in the Work not specifically granted herein to Publisher are reserved to Author and may be exercised or disposed of by Author at any time during the term of this Agreement.

Accounting and Payments

18. (a) Publisher shall prepare statements accounting for all payments due Author under this Agreement during each of the following periods in every year (insert months and days)

From _____ to _____
From _____ to _____
From _____ to _____
From _____ to _____

Publisher shall mail each such statement to Author within 30 days after the close of each period accompanied by payment to the Author of the amounts due him hereunder for said period. Each statement shall report, for each category of sales by Publisher, the number of copies sold (and total sales to date), the list price, the royalty rate, amount of royalties, and the number of returns; the gross amount received pursuant to each license granted by Publisher; and itemized deductions. With each royalty statement, Publisher shall send Author copies of statements received by Publisher from its licensees during the accounting period. The royalty statements covering the first 12 months after publication shall also state the number of copies in each royalty category printed, bound, and given away in the period, and the number of saleable copies on hand at the end of the period; and Publisher shall provide this information for any subsequent periods at Author's request.

(b) Anything in (a) above to the contrary notwithstanding, Publisher shall pay Author any advances or royalties received by Publisher from book clubs, reprint publishers or other licensees within 30 days after Publisher receives such payments, accompanied by a copy of the statement of account provided by such licensee to Publisher.

(c) For the first 2 accounting periods following the publication date of the trade edition, Publisher may withhold from payment to Author a reasonable reserve for return copies not to exceed 15% of royalties payable to Author under Paragraphs 10 (a) and (b) as reflected on each such statement. The balance of such reserve, at the close of the last of said accounting periods, shall be paid to Author with the payments for the following accounting period.

(d) Upon his written request, Author or his designated representative may examine the books and records of Publisher which relate to sales of copies or licenses of the Work. If such examination discloses an error of more than 5% with respect to any royalty statement, Publisher shall reimburse Author for Author's costs of the examination; otherwise such costs shall be borne by Author.

(e) Notwithstanding the foregoing provisions of this paragraph, if the money payable to Author hereunder shall, in any calendar year, exceed the sum of \$_____, Author shall be paid the said sum of \$_____ in that year, and the unpaid balance of any amounts accrued to Author in that year and/or prior years shall be paid to Author in the subsequent calendar year or years, and each such subsequent annual payment shall be subject to the same maximum. In the event of Author's death, this provision may be terminated on written notice by his executors, administrators or heirs.

Author's Copies

19. On publication of the trade edition, Publisher will give to Author 10 free copies of the said edition; and Author may purchase additional copies at a discount of 50 % from the retail price.

Out of Print Provisions

20. (a) For the purposes of this Agreement, the Work shall be deemed "in print" only when copies are available and offered for sale in the United States through normal retail channels in an English language, hard-cover or paperback edition issued by Publisher or pursuant to a license granted by Publisher, to another publisher under this Agreement, and listed in the catalog issued to the trade by the Publisher or his licensee.

(b) The Work shall not be deemed "in print" by virtue of the reproduction of copies by reprographic processes such as Xerox, whether performed by Publisher or licensee, or if it is available by any medium or means other than the hard-cover and paperback editions referred to in (a) above.

(c) If Publisher fails to keep the Work in print, Author may at any time thereafter serve a written request on Publisher that the Work be placed in print. Within 60 days from receipt of such request, Publisher shall notify Author in writing whether it intends to comply with said request. If Publisher fails to give such notice or, having done so, fails to place the Work in print as specified in (a) within six months after receipt of said request from Author, then, in either event, this Agreement shall automatically terminate and all rights granted to Publisher shall thereupon automatically revert to Author.

(d) Anything to the contrary in (a), (b) or (c) above notwithstanding, if during any calendar year following the tenth full calendar year after the publication date of the trade edition the royalties payable to Author under Par. 10 above do not exceed \$ 1,000, Author may terminate this Agreement by written notice given within 30 days after he receives the last statement covering payments due for such calendar year. Upon such termination all rights granted herein shall automatically revert to Author.

(e) Upon any termination and reversion of rights pursuant to (c) or (d) above, Publisher will continue to receive such share of proceeds of licenses theretofore granted by Publisher or Author to the extent provided in Paragraphs 12, 13 and 15 above, and Author shall be paid his share directly by the licensee. Publisher shall not receive any share of the proceeds from licenses granted by Author after such termination and reversion.

(f) If Publisher determines to discontinue publication of the Work because it is no longer profitable, Publisher shall notify Author in writing and upon the giving of such written notice this Agreement shall automatically terminate and all rights shall revert to Author subject to the provisions of (e) above.

(g) Upon any termination under Par. 20, Author may, on written notice given within 20 days of such termination, thereafter purchase the plates, offset negatives or computer drive tapes (if in existence) at their scrap value and any remaining copies at cost; otherwise Publisher may dispose of said materials, subject to the royalty provisions of this Agreement.

(h) Upon any termination under Par. 20, Author shall be entitled to retain any advances paid to him under this Agreement and to receive any sums accruing to him and unpaid at the time of the termination.

Return of Manuscript

21. Publisher shall return the original manuscript of the Work to Author within 30 days after publication. If Author requests in writing, prior to publication, Publisher shall furnish Author with a set of the proofs; absent such request Publisher may dispose of the proofs.

(delete
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10

Bankruptcy and Liquidation

22. If Publisher is adjudicated a bankrupt or makes an assignment for the benefit of creditors or liquidates its business, this Agreement shall thereupon terminate and all rights granted to Publisher shall automatically revert to Author, subject to the provisions of Paragraphs 20 (e) and (g).

Suits For Infringement

23. (a) If there is an infringement of any rights granted to Publisher or which Publisher is authorized to license or share in the proceeds of, Author and Publisher shall have the right to participate jointly in an action for such infringement; and if both participate, they shall share the expenses of the action equally and shall recoup such expenses from any sums recovered in the action. The balance of the proceeds shall be divided equally between them, except that with respect to any rights specified in Paragraphs 12 and 13 the said balance shall be divided in the proportions provided in said Paragraphs. Each party will notify the other of infringements coming to its attention.

(b) If either party declines to participate in such action, the other may proceed; the party maintaining the action shall bear all costs and expenses which shall be recouped from any damages recovered from the infringement; the balance of such damages shall be divided between them as provided in (a) above.

Governing Law

24. This Agreement shall be interpreted under the laws of the State of New York.

Adjudication of Disputes

25. Any controversy arising under Paragraphs _____ shall be submitted to arbitration before the American Arbitration Association in accordance with its rules and judgment confirming the Arbitrator's award may be entered in any court of competent jurisdiction. All other controversies shall be litigated in a court of competent jurisdiction.

Successors and Assigns

26. This Agreement shall be binding on the parties and upon their respective heirs, administrators, successors and assigns. This Agreement may not be assigned by either party without written notice sent to the other; provided that in no event may the Publisher assign, license or otherwise transfer to others its obligation to publish and distribute the United States trade edition of the Work during the 18 months following said publication.

Waiver or Modification

27. This Agreement constitutes the complete understanding of the parties and no waiver or modification of any provisions shall be valid unless in writing, signed by Author and Publisher. The waiver of a breach or of a default under any provision hereof shall not be deemed a waiver of any subsequent breach or default.

Notices

28. Any notice required to be sent hereunder shall be sent by first class mail, postage prepaid, to the Author or Publisher at the addresses given in the preamble of this Agreement, which addresses may be changed by either of them by written notice to the other. Where the Author has designated an agent, Publisher shall furnish both Author and agent with a copy of each notice.

Riders and Additional Clauses (attach additional pages if required)

* the performance of publisher or author pursuant to this agreement is subject to joint decision in essential materials or supplies, acts of war, strikes, or other conditions beyond control,

IN WITNESS WHEREOF the parties have duly executed this Agreement the day and year first above written.

Author

Publisher

By _____
Signer's Title

CAMPAIGN LITERATURE

COMMITTEE FOR A CONSTITUTIONAL
PRESIDENCY

1420 N Street NW
Washington DC 20005-

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

5110 Greenwood Avenue
Skokie, IL 60076
July 28, 1974

Dear Friends of McCarthy:

Thanks to your continued support, Campaign '76 moves into our own version of Phase II.

We have formed a national committee, THE COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY, which will serve as a preliminary campaign instrument. And we will open a Washington headquarters within the next two weeks.

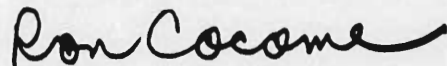
We have asked Senator McCarthy to be Honorary Chairman of the Committee. He will speak to a conference we are calling for August 25th here in Chicago when he accepts the appointment.

As Honorary Chairman, Senator McCarthy will be chief spokesman for the Committee, a national group organized to elect a Constitutionally valid President. Furthermore, Senator McCarthy will serve the Committee by traveling throughout the country, offering to the bewildered nation his uniquely perceptive views on issues affecting American life.

We will be in touch with you again as soon as our move to Washington is completed. In the meantime, accept our thanks once again for your past support. We hope that you will continue that support now that we are underway.

Please plan on being in Chicago on Sunday, August 25th. We look forward to seeing you then.

Yours sincerely,



Ronald Cocome (Ill.), Chairman
Barbara Barron (Cal.), Vice-Chairman
Suzannah B. Hatt (N.H.), Sec.-Treas.

P.S. Please note the article from the Des Moines Sunday Register of July 7, reprinted on the reverse side of this letter.

Des Moines Sunday Register

DAVID KRUEHNER, President and Publisher
KENNETH McDONALD, Editor
MICHAEL GARTNER, Executive Editor
A. EDWARD HEINS, Managing Editor
LAUREN SOTH, Editorial Page Editor
LOUIS H. NORRIS, Business Manager

An Independent Newspaper

July 7, 1974

Founding Fathers unprepared

Over the coffee

By DONALD KAUL

Were I to construct an ideal presidential candidate — my ideal presidential candidate — this is what I would do.

I would make him tall and handsome, because my fellow Americans respond to that kind of candidate.

I would make him witty and eloquent, because I respond to that kind of candidate.

I would make him smart (so that he could understand the problems facing us) and tough (so that he could solve them).

He would be honest (as a change of pace) and he would have a profound knowledge of our history and a deep understanding of contemporary society.

He would be, in short, Eugene McCarthy.

I saw Clean Tene at a National Town Meeting broadcast at the Kennedy Center the other day and it is a pleasure to report, he is looking better than ever.

He was on the program with Senator Charles McC. Mathias of Maryland. Now Mathias is not a bad senator, as senators go, but he shares with the vast majority of his colleagues that sense of effort when he is attempting to impress an audience with his sincerity. It often takes the form of a slight rise in pitch in the voice as he prepares to drop a dollop of blather on a question, much akin to Richard (The Presidency) Nixon's habit of fluttering his eyes the instant before he delivers himself of a hypocrisy.



McCarthy is nothing like that. He can be guilty of talking to an audience as though he were explaining the multiplication tables to a slow child, but he never seems to be trying to sell you anything. He is to the average politician as Laurence Olivier is to the Dead End Kids.

His message on this particular day was that the country has developed in ways that our Founding Fathers did not foresee when they drafted our Constitution and, thus, did not prepare for.

They did not foresee the degree to which the corporation would come to dominate our economy, he said, becoming "a great center of control, with limited social and moral responsibility."

They did not envision the growth of the political parties into the dominant forces they have become, with very little outside regulation. "Most of what they do is unconstitutional," he said. "I think the last constitutional election we had was probably about 1789."

Nor did the framers of the Constitution anticipate our widespread involvement in foreign affairs.

"There is no provision in the Constitution for dealing with foreign policy," McCarthy said. "I think if they had foreseen the future, they would have written in some sort of parliamentary procedure to deal with the day-to-day problems of foreign affairs."

And, lastly, the writers of the Constitution were unable to foresee the growth of the military establishment.

"It's become almost like a foreign state within our government. You have to negotiate with it. I suggested once that we name a diplomatic representative to the Pentagon.

"I was disturbed by a lot of the things the Catholic Church cast aside at Vatican II — infallibility, grace of office, the inquisition. What's more disturbing is that the Pentagon has picked up most of the concepts."

McCarthy said that the secret of government is to keep a balance between its philosophy and the programs needed to carry out that philosophy.

"Right now we have some areas that have too much philosophy and not enough policy, and others in which we have too much policy and not enough philosophy."

He used the area of poverty as an example.

"We have a philosophy in this country of not having any poverty. Congress got to work on it a few years ago and made poverty almost illegal. At the same time we outlawed ignorance and declared crime illegal. We had even begun to move on ugliness."

"The problem was that we never faced up to the historical realities of the poor and exploited in our society."

It was a nice presentation but the best part came in a little aside the former senator from Minnesota let drop while discussing corporations.

"If you look at the oil ads," he said, "you would think that they refine oil just to provide bird sanctuaries."

The National Town Meeting is underwritten by the Mobil Oil Co. That's vintage McCarthy. It'll be a while before we see his likes again on the American political scene.



COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1223 CONNECTICUT AVENUE, NW

WASHINGTON, D. C. 20036

(202) 737-4900

WHAT WE ARE DOING

- Q. What is the Committee for a Constitutional Presidency?
- A. It is a group of citizens who seek to restore the presidency to the Constitution and to the people by electing an Independent national ticket in 1976.
- Q. Why the word "Constitutional" in the Committee's title? What does that have to do with electing an Independent ticket?
- A. The citizens who drafted our Constitution in 1787 wanted a President who would not be tied to factions or parties. George Washington was the first—and, unfortunately, the last—Independent to serve in the presidency. Political parties soon gained control of the nominating process through extraconstitutional means such as caucuses and conventions and primaries.

The Committee believes that merging the roles of chief executive and party leader in one person has been harmful to the presidency and to the whole political process. The President as party leader has become part of the legislative branch of our government. And presidential abuse of agencies like the FBI and the IRS has shown the danger of excessive partisanship in the executive branch.

- Q. Who are your authorities?
- A. George Washington is one. In his Farewell Address, he warned "in the most solemn manner against the baneful effects of the Spirit of Party..." John Adams, our second President, also had serious reservations about political parties. Some years after he had finished his presidency, Adams wrote the following to another former President, Thomas Jefferson: "I say, parties and factions will not suffer improvements to be made. As soon as one man hints at an improvement, his rival opposes it. No sooner has one party discovered or invented any amelioration of the condition of man, or the order of society than the opposite party belies it, misconstrues it, misrepresents it, ridicules it, insults it, and persecutes it...."
- Q. How about more recent opinions?
- A. We are almost 200 years beyond—or behind—Washington and Adams. Many Americans now wonder whether the major parties are worth very much. Governor Tom McCall, Republican of Oregon, has indicated great discontent

with the present party system. In an NBC "Meet the Press" interview of June 2, 1974 he said, "Looking at what happened in the conventions very briefly, we had three Vice Presidential nominees. All have gone down the drain. We had a Presidential nominee who took the worst shellacking in the history of politics, and we had a Presidential nominee who has been discredited, and the Presidency is festering. Is that a system that works? That is my question."

Eugene McCarthy, chief spokesman for our Committee, said in a speech of August 25, 1974: "I am always a little bit distressed by people who say that because of Watergate we have a demonstration that the system works. That is like saying that the crossing of the Atlantic by the Titanic was a great success because some people survived. Not all of the lifeboats sank—just the ship." McCarthy also commented, "President Ford said he believes in the two-party system. You really ought not to believe in it; you ought to look at it objectively and say 'I think it is working' or 'I do not think it is working.' And if you do not think it is working, then you look to some other procedure or some other process."

Q. Are you also concerned about other aspects of the Constitution?

A. Yes, very much concerned. We want to elect a President and Vice President who will respect the role of the Senate in making foreign policy and respect the role of the entire Congress in deciding the budget. We also want a President who will enforce the Bill of Rights. We are tired of snooping and wiretapping; we are against government officials who intimidate those who disagree with them. We want a President who will protect the basic rights of all Americans. And we want to raise the quality of leadership.

Q. Where will you find enough support to elect an Independent ticket?

A. We expect strong support from voters all over the country. A Gallup poll released in February of 1974 showed that the percentage of voters who consider themselves Independents had grown from 20% in 1940 to 34% in 1974. Independents are well ahead of Republicans and are gaining steadily on the Democrats. The Democrats are plagued by internal bickering and general weariness. Their last two conventions were divisive, and their next one promises to be the same.

In short, the field is wide open for the positive alternative that our Independent ticket will offer.

Q. How will an Independent ticket for President and Vice President differ from a party ticket?

A. Our Independent ticket will gain its place on the ballot by petition. We will not have to worry about primaries, conventions, quota systems, credentials battles, or other problems created by the parties. We will

go directly to the people for signatures to qualify our ticket for the ballot.

Q. Will it be hard to find enough signatures?

A. The petition requirements differ greatly from one state to another. Tennessee requires only 25 signatures; other states require up to 5% of their registered voters. But many petition requirements have been eased in recent years. We believe it will be fairly easy to gain the required number of signatures in every state. Support for an Independent ticket cuts across all political lines, and we expect to develop a powerful coalition for our candidates.

Q. How will your ticket be chosen?

A. We expect to operate by consensus. The Committee will endorse candidates for President and Vice President according to the wishes of those involved in Committee work.

The final decision, of course, will be made by the voters, who will decide whether to sign petitions to place our ticket on the ballot. This is quite different from the case with major party candidates, who are placed on the ballot automatically.

Q. Will your candidates for the electoral college be different from those of the political parties?

A. Yes. The parties generally run slates of dedicated party members who are unknown to most voters.

We plan to run electoral candidates who are known and trusted by the voters of their areas. This was the course intended by the citizens who drafted our Constitution.

Q. Aren't you worried about being a spoiler in the 1976 election?

A. No, not at all. We intend to win.

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- A. Yes, very much concerned. We want to elect a President and Vice President who will respect the role of the Senate in making foreign policy and respect the role of the entire Congress in deciding the budget. We also want a President who will enforce the Bill of Rights. We are tired of snooping and wiretapping; we are against governmental intimidation of dissenters. We want a President who will protect the basic rights of all Americans. And we want to raise the quality of leadership in the White House.
- Q. Where will you find enough support to elect an Independent ticket?
- A. We expect strong support from voters all over the country. A Gallup poll released in February of 1974 showed that the percentage of voters who consider themselves Independents had grown from 20% in 1940 to 34% in 1974. Independents are well ahead of the Republicans and are gaining steadily on the Democrats. The Democrats are plagued by internal bickering and general weariness. Their last two conventions were divisive, and their next one promises to be the same.

A Phillips-Sindlinger telephone poll of September, 1974 indicated that 55% of the American people want more than

two choices in the 1976 presidential election.

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- Q. Are you worried about being a spoiler in the 1976 election?
- A. No, not at all. We intend to win.

11-5-74

MEMORANDUM

Subject: Why an Independent Candidate for President?

Some people find it strange, at first sight, that anyone should be running for President as an Independent. Understandably so. We're accustomed to voting for either a Democrat or a Republican. (George Washington was an Independent, but that was before there were any parties.)

Following are answers to some of the major questions we have received:

Question: Why not run as either a Democrat or a Republican? Isn't that the sensible thing to do?

Answer: Yes, the usual thing - the sensible thing - has been to run as a candidate of a major party. And that was possible when the party was reasonably committed to what you believed in.

At this time in history, however, the major parties do not offer clear alternatives for action on essential problems facing the nation.

Question: What essential problems, for example?

Answer: For example, unemployment. Which party offers an alternative to the present situation in which unemployment is accepted and even institutionalized?

For example, military involvement overseas. Which party proposes an alternative to the foreign policies that led to Vietnam?

For example, arms sales. Which party proposes an alternative to our continuing to be the major arms peddler in the world?

For example, energy consumption. Which party offers a comprehensive alternative policy for energy conservation and development?

For example, presidential power. Which party has outlined an alternative to the growing imperial power of the presidency?

Question: How could an Independent President run the government?

Answer: The same way any President runs the government, except that he could choose all Cabinet officers and administrators on the basis of skill and experience.

As an Independent voter casts his ballot, so can an Independent President staff his administration, choosing the best persons for all jobs (including the best Republicans and the best Democrats).

An Independent President will be free of the problem of finding jobs for the party faithful.

Question: Nevertheless, isn't the party structure useful when it comes to running the government?

Answer: No, as a matter of fact. The major role of the parties is running election campaigns, not running the government.

Many of America's best public servants are professionals dedicated to making government work, and are only nominally members of a political party. And many officials associated with one party have served a President from the other.

Question: But don't people simply reject the idea of an Independent candidacy? Isn't it still too strange and different?

Answer: It's not so strange to the people of Maine who elected an Independent Governor last year.

Not so strange to the 10 million voters in 1968 who cast ballots for candidates other than those of the Republican and Democratic parties.

Not so strange to the 61 million potential voters who stayed home in 1972, and might have appreciated a third choice on the ballot for President.

Question: How can you nominate an Independent candidate for President?

Answer: Voters nominate the Independent by signing petitions for ballot placement. The number of signatures required varies from 25 in Tennessee to 100,000 or more in a few states. Petition campaigns in some states may begin as early as the fall of 1975.

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1223 CONNECTICUT AVENUE, NW

WASHINGTON, D. C. 20036

COMMITTEE COMMENTS

VOL. 1, NO. 1

SEPTEMBER, 1974

THANK YOU FOR COMING

...to our Chicago Conference on August 25th. It was a great success, and press coverage was quite good. Many thanks to all who made it happen. And special thanks to Eugene McCarthy and Barbara Barron, who spoke to us, and Peter Yarrow, who sang for us.

THANK YOU FOR HELPING

...all of you who could not attend the Conference, but sent contributions and best wishes. Many thanks to you! We are printing excerpts from the panel discussion and speeches (pp. 3-4) to give you more information on the Conference.

WHAT'S TO BE DONE?

Senator McCarthy will be appearing around the country, explaining the idea of an Independent Ticket for '76 and speaking out on the issues. If you know of a group in your area—citizens group, college organization, business group, or whatever—that would like to hear the Senator, please contact us.

Besides arranging speaking engagements, there is much you can do to help. We suggest that you:

- Talk to friends, neighbors, and political acquaintances about our plan to field an Independent Ticket in '76.
- Send us names and addresses of all who are interested. We will place them on our mailing list and keep them informed of Committee happenings.
- Write letters to your local editor supporting the idea of an Independent Ticket.
- Send us clips of any news stories or editorials on the Committee and Senator McCarthy.
- Encourage contributions to the Committee to help with our organizing effort. The contribution form on p. 5 of this newsletter can be copied and passed on to potential donors. This form meets the legal requirements for political fundraising.
- Start building local organization for the effort by gathering all who are interested for informal meetings to talk about what needs to be done. We plan to organize by Congressional Districts, so it is well to be in touch with other Committee supporters in your District.

HELP!

The Committee's national office needs volunteer help. If you live in the Washington, D.C. area—and if you can type, do art work or bookkeeping, collate or stuff envelopes—there is plenty to do in THE MAKING OF THE PRESIDENT 1976! Please stop by the office or call us at 737-4900 and ask for Mary Monroe.

INFLATION

In remarks prepared for an audience in Santa Barbara, California, September 17, 1974, Eugene McCarthy said that "there may be excuses for inflation in some countries, either because of economic deficiencies or political instability. Those excuses do not hold for the United States. Our economy has the potential to meet the needs of the country without inflation. The failure is political, both of judgment and of will."

McCarthy, who once taught economics on the college level and who served for years on the tax committees of House and Senate, proposed the following remedies for inflation: 1) Development of programs to maintain the threatened incomes of the poor. 2) Selective credit controls and tax benefits, as well as selective excise taxes, to "direct production into areas of real need and of real shortages." 3) Standby wage/price controls. 4) Inclusion of at least half of the unemployed in the regular working force. McCarthy has long advocated spreading employment by reducing the standard working week or working year. 5) Halting the waste of resources in unnecessary military spending, unnecessary space projects, and the automobile industry.

DETENTE

Senator J. William Fulbright recently invited his former colleague, Eugene McCarthy, to testify during the Foreign Relations Committee's special hearings on detente. In remarks prepared for his September 10th testimony, McCarthy referred to the nuclear overkill capacity of the United States and Russia: "The Committee need not be reminded that we consider these possible actions for detente, if not under the threat of nuclear war, certainly in the knowledge that nuclear weapons of great power are possessed by both Russia and the United States. The two nations have, according to a recent report, the equivalent in nuclear power of ten tons of T.N.T. for every man, woman, and child on the earth. According to the same report, the United States is building three new nuclear warheads per day; and the Russians, we assume, are at least keeping pace with us....

"In other words, the United States and Russia are now proceeding in accordance with agreed levels—under which each is capable of destroying the population of the other country several times....

"We have reached, I fear, a state of apprehension very near that of the animal in Franz Kafka's story, 'The Burrow'; no matter how secure it was, or how well-secured its hoard of food, it nonetheless could hear a strange sound and felt the need for more security.

"No matter what the level of the deterrent is, offensive power always rises to that level and then surpasses it. This appears to be the rule of the nuclear contest. Situations of parity or essential equivalence are never achieved."

McCarthy suggested that the two superpowers could compete in things safer than missiles and nuclear bombs. Referring to the reactivation of a cavalry unit at Fort Hood, Texas, he remarked: "I read the other day that we are beginning to build up the cavalry again. It's encouraging. The Russians have more horses than we have."

COMMENTS '76 - Paid for by the COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

Ronald Cocome (Ill.), Chairman - Barbara Barron (Cal.), Vice Chairwoman -
Suzannah B. Hatt (N.H.), Secretary - Mary Monroe (Fla.), Treasurer

Merpts from the CHICAGO CONFERENCE

Afternoon Panel and General Discussion:

We are simply saying that what we've got has not worked to the advantage of the American people, and we keep getting presidential candidates that nobody wants. We're ready to try something else. And what some have said is, "Maybe we can go back to what the Founding Fathers intended. What has gotten between the voters and the President and the Electoral College is the parties and their conventions. Maybe if we try the more direct route, it will function better."

Barbara brought up a good point. She brought up a point about George Washington's Farewell Address. He gave a very clear warning about political parties—every bit as clear as President Eisenhower's one about the military-industrial complex. Both of them seem to have been ignored. Both of them were made by people who knew what they were talking about.

...we have seen hundreds—thousands—of crusading knights in shining armor go into the lists of the two-party system, and they all come out looking like shady knaves at the other end; because it is the parties that have become the corrupting force.

The country is in a lot better shape now to have its political consciousness raised because of some of the traumas we've had over the past half-a-dozen years.... We're trying to be pragmatic and sensible and not visionary. I'm not visionary about a man or about a movement. But I do know that there is something in this country which requires an answer. And I think we can bring something together and have a significant impact on the politics of this country in the next few years.

I don't regard this in any way as just another educational campaign or a protest movement—although it has elements of both. I regard it very much as a serious effort to win the Presidency of the United States.

I think one thing that we're going to learn quickly, and that I've learned, is that there is really no such thing as experts.... All of us here have the ability to do the job that has to be done if we'll get out and do it...

Go back and just talk to people. It's amazing how much each one of us can do if we talk to ten people a week and get this idea across. And that mushrooms. Just getting the message across is very important.

later than day....

as the plot thickens....

Address by Barbara Barron, Nat'l. Vice-Chairwoman of the Committee:

...The double role of party leader and President has obscured the separations of power and corrupted the original premise of the executive branch of government—and therefore the legislative and judicial branches as well, since they are supposed to be coequal. The corruption of governmental process which we have seen, which is fact, is one reason why we challenge what has been and question the wisdom of having a President who is also the leader of a political party...

We suggest that it is time for us, the American citizens, to recapture our freedoms and ensure continuance of our democracy. We can do so by our right of petition, by securing ballot placement of an Independent Ticket for President and Vice President in 1976—a ticket with no ties to any political party.

We ask, we urge, we welcome the time, energy and talent of the people of the United States: the Independents, the Republicans, the Democrats, those who have never voted, those who have never been involved in political party politics.

This is our purpose. This is our plan. This is our declaration of independence.

Remarks by Peter Yarrow, Folksinger:

There is a song that I've sung for a long time, and all of a sudden the words took on a new meaning...It says, "I need a bunch of things. I need money. I need flowers. I need a bird for my shoulder, and I need the moon."

"But first things first, my friends," it says, "because a rich man eats when he wishes, but a poor man whenever he can."

It seems to me that what this Conference is all about is going back to the beginning of a process whereby these decisions are made. This is first things first.

Address by Eugene McCarthy:

...I think it is possible that we can formulate a campaign, we can project a political movement, which at least will move people to believe that the pursuit of happiness is not something which is lost in America. We do not promise happiness. But at least we can promise conditions and supplemental efforts in which people will again believe that this is a country of freedom and one in which a degree of happiness is within the reach of every person.

I do not want to claim too much for what we are trying to do, but I think this is a modest projection and a modest claim. It is one which is made with the support of the men who committed this country to the course which it has followed for nearly 200 years. And I am pleased to do what little I can by letting you use my person and whatever reputation I have, either as a candidate or in support of some other who may become the candidate, so that that goal at least in some measure may be achieved in 1976.

WRITE US FOR LITERATURE

"What We Are Doing" — Information on the Committee and its plans, in question-and-answer format.

"How to Organize for an Independent Ticket" — Suggestions on what you can do to organize for '76.

Single copies of these items may be obtained free by writing to LITERATURE REQUESTS at the Committee address. We do not presently have these items available in quantity, but feel free to copy them and run them off in quantity.

MONEY... WE NEED LOTS AND LOTS

Maintaining an office and running a national organizing effort requires a good deal of money. We hope you can help.

We have established three committees for those who can send us a regular amount each year through 1976. If you can join one of the Committees, or help us out with a single contribution, please send us the following information:

- I will join the Committee of 76 and pledge minimum of \$1,000 per year, 1974, 1975 and 1976. ☐ First check enclosed. ☐ Will send later.
- I will join the Committee of 7600 and pledge minimum of \$100 per year, 1974, 1975 and 1976. ☐ First check enclosed. ☐ Will send later.
- I will join the Committee of 76,000 and pledge minimum of \$10 per year, 1974, 1975 and 1976. ☐ First check enclosed. ☐ Will send later.
- Though not joining one of the Committees at present, I am enclosing \$_____ to help with your work.

Please fill in the following information, which is required by law:

NAME _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

OCCUPATION _____

PRINCIPAL PLACE OF BUSINESS, IF ANY (Full name of employer, or name of organization if self-employed, plus city and state.) _____

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

THANK YOU! WE ASSURE YOU THAT THE COMMITTEE IS RUN ACCORDING TO THE TENETS OF FISCAL CONSERVATISM. WE OPERATE IN THE BLACK AND MAKE EVERY DOLLAR GO JUST AS FAR AS IT CAN.

Boston
HERALD AMERICAN
McCarthy May Run

BULLETIN
Providence, R.I.

Milwaukee JOURNAL

McCarthy Eyes '76

WORLD
Tulsa, Okla.

McCarthy Heads New
Political Organization

Chicago Tribune, Monday, August 26, 1974

Independent force eyed

Would run in '76,
McCarthy says



Eugene McCarthy at yesterday's press conference.

Minneapolis Tribune

McCarthy group forges challenge

to two-party
system

Philadelphia
DAILY NEWS

McCarthy:
To the People

Chicago TRIBUNE
President and parties

Des Moines Register

McCARTHY
ACCEPTS POST



Eugene J. McCarthy

UNION
Springfield, Mass.

A Conservative View

Clean Gene McCarthy
Returns to the Wars

THE NEW YORK TIMES

M'CARTHY HEADS
NEW MOVEMENT

St. Louis Globe Democrat

Long Island PRESS

Gene heads '3rd force'
and could be candidate

McCarthy ready to take on system
again—with independent group

Newsweek

POLITICS:
The Non-Party

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1223 CONNECTICUT AVENUE, NW

WASHINGTON, D. C. 20036

COMMENTS '76

VOL. 1, NO. 2

OCTOBER, 1974

The Independent Way—How To Do It

Many people have asked us about the difference between a third-party ticket and an Independent ticket.

A third party would require formal party organization in each state and would also involve running candidates for local offices and for Congress. We do not want to go this route. The political parties are over-organized already. A party quickly becomes an end in itself, a force resistant to change, instead of an instrument for dealing with issues.

The Committee for a Constitutional Presidency is just an instrument for fielding an Independent national ticket and for dealing with issues. Placing an Independent ticket on the ballot requires no party organization; nor does it involve candidates for offices other than President and Vice President.

Requirements for gaining ballot status vary somewhat from one state to the next. Most states require the filing of a certain number of signatures on petitions; the number varies from 25 in Tennessee to 100,000 or more in a few states. Most of the petition-gathering will be done in the spring and summer of 1976, according to the law in each state.

After the petitions are filed, all we have to do is win the general election.

(See page 3 on "The Importance of Being Independent.")

The Value of a Good Name....

Please keep sending us names of people who would like to receive our newsletter and help with our work.

We believe that good names and good lists make up about 50% of a winning campaign. Especially helpful are lists from other political campaigns and lists from local and state organizations (ecology, labor, business, civil liberties, peace groups). Please keep them coming!

The Fed

Worried about high interest rates? Wonder who's in charge? It is the Federal Reserve Board, an agency responsible neither to the President nor to the Congress. Eugene McCarthy believes that we should place the "Fed" under the control of the Treasury Department and thus make it responsible to the government in power. He thinks that both Democrats and Republicans have shirked responsibility for fighting inflation by passing the buck on to the Fed. In remarks prepared for the New York University Economics Club (10-21-74), McCarthy declared that the Fed's present status "is a prescription for fiscal irresponsibility on the part of the executive branch of government and on the part of the Congress."

UNCONSTITUTIONAL!

Warning against efforts to "freeze the two-party system into American politics," Eugene McCarthy has criticized severely the campaign finance law recently passed by the Congress and signed by President Ford. In remarks prepared for Vanderbilt University, Nashville (10-15-74), McCarthy said that the new law "is designed to lock the two parties into the political process as a permanent feature..." McCarthy noted that the law favors the major parties over Independents, favors incumbents over challengers, and even favors rich candidates over poor and middle-income candidates. He believes that the law is "clearly unconstitutional."

Heroic Work Needed

Some people think that the real glory of a political campaign comes when the band plays, the crowd cheers, and the TV cameras focus. They're wrong. The real glory of a campaign is the quiet work of volunteers who type letters, stuff envelopes, clip newspapers, paint posters, research issues, answer telephones, and do the million-and-one other things that make politics happen.

If you are in the Washington, D.C. area and would like to volunteer, please stop by the Committee office or call us at 737-4900 and ask for Judy Barry Smith.

Free Literature

You can obtain single copies of the following by writing to LITERATURE REQUESTS at the Committee address. You are welcome to copy them and run them off in quantity:

"What We Are Doing" -- Explains the Committee and its plans.

"How to Organize for an Independent Ticket in '76" -- Many ideas.

The Importance of Being Independent

The Independent route to the White House has three great advantages over the party method of selecting candidates:

--It is more in keeping with the intent of the founding fathers; it offers voters a chance to separate the presidency from partisan politics.

--It avoids the grueling primaries, caucuses, and conventions. Political analyst David Broder wrote in the WASHINGTON POST of 10-20-74: "No sane person can survive, with his reason intact and his personality unwarped, the hideous, ludicrous endurance course that now passes for a presidential selection process." Our ticket won't have that problem.

--It assures voters of a genuine alternative in the 1976 election. Too often the major parties offer bland candidates who are close on the issues, or offer such extreme choices that voters do not want either one.

American voters are ready for an Independent presidential ticket. The number of Independent voters has grown rapidly over the past several years. A Gallup poll released in February, 1974 showed that 34% of American voters now consider themselves Independents. And a Phillips-Sindlinger national telephone poll last month showed that 55% of American voters want more than two choices in the 1976 presidential election.

notes on the presidency

Eugene McCarthy has criticized President Ford for over-personalizing the presidency. When Ford was asked recently whether there would be a code of ethics for his administration, he replied that his example would be the guide. "But even when Moses came down from the mountain," McCarthy said, "he brought with him some specific recommendations." (OREGON JOURNAL, 9-14-74)

McCarthy has also questioned the Ford administration's slow start on economic problems: "We should not be in a position now where we wonder who the presidential economic advisers are.... There ought to be a going position for Republicans with reference to economics, so that when one [President] goes out you do not have to say, 'We are going to bring in a whole new group to talk about it.' I mean, what kind of an operation is this? You do not even run professional football teams that way. If a coach quits, they have an assistant coach or some scouts and so on who are around to say, 'Here's where we are.'" (News Conference, Los Angeles, 9-16-74)

COMMENTS '76 - Paid for by Committee for a Constitutional Presidency. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.

Eugene J. McCarthy (Minnesota), Honorary Chairman.

BY KEVIN P. PHILLIPS
AND ALBERT E.
SINDLINGER

Probe

More than half the American people would like to have a choice besides the Republican and Democratic nominees in the 1976 Presidential race.

This desire, plus other evidence of declining public commitment to the two-party system, emerged in a nationwide Phillips-Sindlinger telephone poll of 2,065 persons taken between Sept. 10 and 22.

Here are the main findings:

- 55 per cent of the American people would like to have a larger choice in the next presidential election.

- Men are more in favor of additional candidates than women.

- Seventy-three per cent of Independents favor more than a two-way choice; 56 per cent of the Democrats agree; and just 41 per cent of the Republicans would like to see another candidate on the ballot.

We asked the following question: "American politics over the years has been mostly a two-party system — Democrats running against Republicans — and sometimes we have a third-party candidate. In Europe, there are numerous political parties. Some people say that for the next presidential election U.S. voters should have a choice to vote for more than a Republican or Democrat. Do you agree or disagree on this?"

Among the total sample, 55 per cent agreed with this proposition, 33 per cent disagreed, 6 per cent had no opinion, and 6 per cent said that they did not vote.

Men tend to be more politically assertive than women, and they confirmed this behavior by expressing 59 per cent agreement with the idea of a wider choice in the next presidential election. Only 53 per cent of the

women agreed.

The most important cleavage follows party — or nonparty — lines. Thirty-seven per cent of our national sample called themselves Independents, the largest single political group. Of these, 73 per cent favored having more than just a Republican and a Democrat on the 1976 ballot. Twenty-four per cent were opposed, and 2 per cent had no opinion.

In recent years, the ranks of Independent voters have mushroomed, largely as a result of disappointment with both parties. Not surprisingly, Independents are the most anxious for an additional choice.

It must be noted, though, that Independents come in several flavors. Some are Northern liberals disappointed with old-guard Republicans and machine Democrats alike, and favorable toward the 1976 candidacy of a reformer like Eugene McCarthy or John Gardner. Others are conservatives, especially in the South, who would like to see George Wallace or some other right-wing candidate on the ballot.

At the same time, 56

per cent of the Democrats questioned would like to see a larger selection of candidates in the 1976 election. Male Democrats were more likely to agree

64 per cent — than female Democrats (49 per cent).

Once again, this Democratic disenchantment with the existing party system comes from both right and left — from Northern liberals and Southern conservatives. Thirty-two per cent of our sample called themselves Democrats, and because they are a more numerous group than Republicans they also encompass considerably more dissidence.

Only among Republicans did we find less than a majority in favor of more than two candidates on the 1976 ballots. Here it is necessary to point out that just 19 per cent of our sample labeled themselves

as Republicans, so that many of yesteryear's party identifiers are presumably already listed as Independents.

Within the Republican group, 39 per cent of the men and 43 per cent of the women agreed with the statement that there should be a larger choice available in 1976. Less Republican desire for additional candidates flows from two basic situations: First, the fact that the GOP, being smaller, is also more homogeneous; and second, the realization by Republicans that substantial splinter-party growth might easily involve the collapse of the GOP.

If in the next year or two, a majority of Republicans should also come to feel that a larger choice is necessary, the end of the two-party system will probably be at hand.

INTERESTING !

Remember What You Promised

When You Were Up in the Attic!

This was the slogan for a fundraising campaign to repair the damages of a great flood in a Midwestern city. We think it also applies to our need for early money.

Remember what you promised the last time the political parties offered a non-choice in the presidential election? When the alternatives were so bad that you didn't want to vote at all?

You probably said: "This is the last time. No more choices between evils. Next time we'll be ready with a third ticket. Instead of voting against the worst evil, we will vote for a good ticket."

This is what the Committee for a Constitutional Presidency is all about. We are working to place on the ballot in every state a ticket you can vote for, with confidence.

To do this, we need your help. Please send as much as you can to: COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY, 1223 CONNECTICUT AVENUE, NW, WASHINGTON, D.C. 20036. We will make every dollar go just as far as it can.

Mary Monroe
Mary Monroe, Treasurer

_____ I enclose \$ _____ to help field an Independent ticket for 1976.

_____ I will join the Committee of 76,000 and pledge at least \$10 per year for 1974, 1975 & 1976. _____ First check enclosed.
_____ Will send later.

_____ I will join the Committee of 7600 and pledge at least \$100 per year for 1974, 1975 & 1976. _____ First check enclosed.
_____ Will send later.

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_____ Will send later.

NAME _____

ADDRESS _____

CITY, STATE, ZIP CODE _____

OCCUPATION _____

PRINCIPAL PLACE OF BUSINESS, IF ANY (Full name of employer, or name of business if self-employed; plus city and state) _____

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

SENTINEL
Milwaukee, Wis.

McCarthy Eyes Presidency in '76

McCarthy Still
Brimful of Ideas

STAR
Kansas City, Mo.

CHICAGO SUN-TIMES, Tues., Oct. 1, 1974

Both parties turn off voters

INQUIRER
Philadelphia, Pa.



*Look Out, America,
McCarthy Is Back*

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY
1223 CONNECTICUT AVENUE, N.W.
WASHINGTON, D. C. 20036

FIRST CLASS

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1223 CONNECTICUT AVENUE, NW

WASHINGTON, D. C. 20036

COMMENTS '76

VOL. 1, NO. 3

NOVEMBER, 1974

As Maine Goes...

The most striking victory in this month's elections was won by James B. Longley, Independent candidate for Governor of Maine. His victory is a hopeful sign for our plan to elect an Independent national ticket in 1976.

About two years ago, Mr. Longley chaired a Maine management and cost study, which recommended ways to reduce the state budget and save taxpayers many millions of dollars. Some of the Longley group's suggestions were adopted, but many others were ignored. Longley decided to run as an Independent in this year's gubernatorial race; he asked voters to give him a chance to finish the job he had started with the cost survey. He suggested that Maine's humanitarian programs would still be effective--but less costly to the taxpayers--if administered more efficiently. Longley also showed concern about the state's environment; for example, he expressed strong reservations about having an oil refinery in Maine.

Longley did not have much in the way of a professional political staff for his campaign; but he had volunteers--and enough money to get his message to the people. The major-party candidates realized too late in the race that Longley had become a great threat to them. At the last minute the Republican candidate for governor warned voters that a vote for Longley was actually a vote for the Democratic candidate. Some Democrats warned citizens that a vote for Longley was a vote for the Republican candidate. But the citizens of Maine realized that a vote for Longley was a vote for Longley--so they elected him.

Looking toward '76, we remember the old slogan: "As Maine goes, so goes the nation."

Other Election Notes

In most states, voters were given a choice only between Democrats and Republicans. The low voter turnout was one way of saying, "Neither one!" Those citizens who did vote largely favored the Democrats, which was not surprising in view of Watergate and the poor state of the economy. But as political analyst James Perry wrote in the National Observer of November 16, 1974: "This was no great Democratic victory. Most voters, I suspect, are almost as suspicious of Democrats today as they are of Republicans. What they want is performance; they want somebody to do something about rising prices and falling expectations...."

McCarthy On Waste

In an appearance at the "National Town Meeting," November 6, 1974, Eugene McCarthy remarked that "I don't see the problem of inflation as particularly difficult to deal with in terms of the economics of it, if we set our minds to doing something about it." McCarthy suggested that inflation can be reduced by cutting back on wasteful consumption: "We have been overeating. And we have been overconsuming gasoline and automobiles; there is no question about that. Most automobiles are twice as big as they should be, and they consume twice as much gasoline as they should. And we have been overspending, which means we have been overborrowing.... Finally we found that in all of these respects we did not have as much potential money as we thought we had; we did not have the production...so we have to stop wasteful consumption."

Gotta Travel On

In the past few months, Gene McCarthy has made appearances in Arizona, California, District of Columbia, Illinois, Iowa, Maryland, Minnesota, New Hampshire, New York, North Carolina, Oregon, and Tennessee. Already scheduled for appearances in the near future are Alabama, California, Colorado, Georgia, Illinois, Kentucky, Louisiana, and New York.

This is just the beginning. You can help fill out the schedule by contacting groups in your area who would like to hear Senator McCarthy. If you know of a women's group, union local, student group, business organization, or citizens association that is interested, please contact Ron Cocome at the Committee address to make arrangements. Senator McCarthy is raising funds for the Committee through speaking fees; so there is a double benefit in the speaking that he does for us.

Mr. Dooley

The Republican and Democratic parties have long tried to be all things to all people. Around the turn of the century, Mr. Dooley described an ideal Democratic presidential candidate:

"Ye might thry advertisin' in th' pa-apers. 'Wanted: A good, active, inergetic dimmycrat, sthrong iv lung an' limb; must be in favor iv sound money, but not too sound, an' anti-impeeryalist but f'r holdin' onto what we've got, an inimy iv thrusts but a frind iv organized capital, a sympathizer with th' crushed an' downthrodden people but not be anny means hostile to vested in-thrests...th' constitootion to follow th' flag as far as it can an' no farther, civil service rayform iv th' la-ads in office an' all th' gr-reat an' glorious principles iv our gr-reat an' glorious party or anny gr-reat an' glorious parts thereof....'"

--Finley Peter Dunne, Mr. Dooley's Opinions (New York, 1901)

McCarthy Articles

We have had many requests for information on Eugene McCarthy's stands on current issues. We will continue to run excerpts from his speeches and news conferences in COMMENTS '76.

The following bibliography should also be useful. It does not include all the articles that the Senator has written in recent years, but it is a representative sampling.

"A War of His Own," Newsday's Journal of Opinion, August 12, 1973.

"After Presidential Shift, Examine Institutions," National Catholic Reporter, September 6, 1974.

"Aid to Vietnam," Commonweal, April 20, 1973.

"Books Reviewed," review of Who Makes War: The President Versus Congress, in New York Law Forum, Spring, 1974.

"Court of Ideas," Newsday's Journal of Opinion, July 21, 1974.

"Dissent on Democrats," Democratic Review, November, 1974.

"Expansion of the White House," The Center Magazine, March/April, 1973.

"Out of Phase," Newsweek, April 16, 1973.

"Poetry and War," Confrontation, Spring, 1974.

"Rulers v. Reality," contribution to symposium in Harper's, October, 1974.

"Watergate: Seeing Through a Glass Darkly," Christianity and Crisis, April 29, 1974.

"We Cannot Afford Our Cars," The Nation, October 8, 1973.

"Whether or Not He Knew... Watergate Reflects Nixon's Style," National Catholic Reporter, May 25, 1973.

"Whither Economic Policy," Commonweal, May 19, 1972.

"Who Committed Whom?" The Center Magazine, January/February, 1974.

COMMENTS '76 - Paid for by Committee for a Constitutional Presidency. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.

Eugene J. McCarthy (Minnesota), Honorary Chairman.

DEAR EDITOR...

Newspapers were a favorite means of communication for the American revolutionaries of 1776. We recommend writing letters to editors as one of the best ways to get people thinking and talking about an Independent ticket for 1976.

The two letters on the left below are notices about the Committee which were printed as a public service by the editors. The letter on the right is a reply to a columnist. Other possibilities include commenting on current issues with a tie-in to the Committee, responding to editorials (both favorable and unfavorable), and encouraging better coverage of political activity outside the major parties.

THE WASHINGTON POST Sunday, Oct. 4, 1976

Eugene McCarthy's Candidacy

George F. Will's column of Sept. 15th says McCarthy is "seemingly uninterested" in running.

McCarthy May Run

The latest Gallup poll which was taken after Sen. Edward Kennedy's announcement that he would not be a candidate in the 1976 Presidential election, shows that the leading contender among Democrats is not Kennedy.

Many very well-meaning people are turning towards Wallace not because they would make a good party but because there are just no decent choices offered to us by the two major parties.

Eugene J. McCarthy recently announced that he is very seriously considering running for the presidency on an independent ticket in 1976. This is most refreshing to hear.

It is not only a good for the president but he represents a choice which Democrats and Republicans don't offer us. I would like to think that McCarthy and an independent ticket in 1976.

If anyone would like information about the Committee for a Constitutional Presidency, please write to the Committee for a Constitutional Presidency, 1223 Connecticut Ave., N.W., Washington, D.C. 20036, 202-462-4000.

Wilmington



Independent Ticket

Editor of The Post—Sir: For people tired of politics as usual, there is new hope for real change.

The Committee for a Constitutional Presidency (1223 Connecticut Ave., NW, Washington, DC, 20036) is planning on running an independent presidential and vice presidential ticket in 1976. Honorary chairman is Eugene McCarthy.

People interested should write to the chairman, Ron Cocome, at the above address. Or if interested in starting an informal local organization, write to me at 2326 K St., Sacramento, 95816.

PHILIP SAWYER.
Sacramento.

To say that Eugene McCarthy "seems uninterested" in substantive policies is to contradict all the evidence of McCarthy's 28 years in public life. Year in, year out, he has been more interested in the tough issues than any other public figure I can think of. Mr. Will should have attended a hearing of the Senate Committee on Foreign Relations recently, when McCarthy testified at length on detente—or appearances on the West Coast, where he has spoken on inflation and other current issues.

To suggest that McCarthy is out to punish the Democrats is both absurd and unfair. It is absurd because the Democrats punish themselves more severely than anyone else can punish them (witness the recent squabble over the unit rule and the continuing battles over quotas). And it is unfair because McCarthy is not out to punish anyone; he is out to ensure that the voters of this country have a real choice on issues and candidates in 1976.

Finally, it is not accurate to say that a McCarthy candidacy "is only apt to injure the Democratic party." We have found great interest among Republicans in the idea of an independent candidacy; in fact, our largest donor to date supported Sen. Barry Goldwater in 1964.

On the basis of recent political history, we assume that both major parties will offer disastrous tickets to the American people in 1976. Mr. Will may be satisfied with the quality of leadership the parties have offered in recent years we are not. We welcome to our ranks all citizens—Independents, Democrats and Republicans—who want a positive choice.

Ronald Cocome,
Chairman, Committee for a
Constitutional Presidency,

Washington.

**"A ship should not ride on a single anchor,
nor life on a single hope"**



A great Stoic philosopher said this almost two thousand years ago. It is still true.

If you hope that a major political party will have a good presidential candidate in '76, we urge you not to tie all your plans to that single hope. The parties have failed many times before; we believe they will fail again.

The Committee for a Constitutional Presidency offers you another hope. We plan to field an Independent ticket for President and Vice President in 1976. It will be a good ticket--one that you can vote for with confidence.

We need your help in building the Independent effort. Please send as much as you can to: COMMITTEE FOR A CONSTITUTIONAL

In 1976 you will be glad that you did.

Mary Monroe
Mary Monroe, Treasurer

____ I enclose \$ ____ to help field an Independent ticket for 1976.

____ I will join the Committee of 76,000 and pledge at least \$10 per year for 1974, 1975 & 1976. ____ First check enclosed.
____ Will send later.

____ I will join the Committee of 7600 and pledge at least \$100 per year for 1974, 1975 & 1976. ____ First check enclosed.
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____ Will send later.

NAME _____

ADDRESS _____

CITY, STATE, ZIP CODE _____

OCCUPATION _____

PRINCIPAL PLACE OF BUSINESS, IF ANY (Full name of employer, or name of business if self-employed; plus city and state) _____

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

"... WE WILL LAY DOWN A
CHALLENGE TO ANYONE WHO IS
INTERESTED AND CONCERNED
ABOUT POLITICS AND GOVERNMENT
IN THIS COUNTRY: TO MAKE
DEMOCRACY WORK IN THE WAY IN
WHICH THE MEN WHO DRAFTED THE
CONSTITUTION INTENDED IT TO

--GENE McCARTHY



COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1223 CONNECTICUT AVENUE, NW

WASHINGTON, D. C. 20036

COMMENTS '76

VOL. 1, NO. 4

DECEMBER, 1974

McCarthy and Buckley Fight Campaign Law----

Eugene McCarthy and Senator James Buckley (C-R, N.Y.) on December 11th announced their intention to file a legal challenge to the recently-passed campaign finance law. At a Washington news conference, the two were joined by Ira Glasser of the New York Civil Liberties Union, which will be a party to the suit. The new law is scheduled to go into effect on January 1, 1975; the plaintiffs will challenge it on constitutional grounds.

In their formal statement, the plaintiffs said that at least nine parts of the law will be contested--including the public financing for presidential campaigns, the limits on incidental expenses incurred by volunteers, and the limits on amounts candidates may spend on their campaigns. The plaintiffs declared: "We believe that many of the provisions of the new law violate the First Amendment of the Constitution. They restrict the political freedom of individual citizens by limiting political activities, circumscribing speech, institutionalizing advantages for incumbents, authorizing unprecedented government surveillance over political association and establishing broad investigative powers of doubtful constitutionality." They added: "The end result, we fear, will not be fairer elections but rather a restriction of dissenting points of view that will make it harder for independent candidates and small political parties to make themselves heard in the marketplace of ideas.... The end we seek is the protection of the freedom of expression guaranteed by the Constitution."

McCarthy remarked, "If someone had come to the Constitutional Convention and said, 'We are going to have the federal government finance the political process by which the government is chosen,' you can imagine how long that would have lasted on that floor--about five minutes if anyone dared to bring it up. In fact, they might have said, 'You don't even belong here; you have no understanding of the process.'"

McCarthy also said that the new law endangers freedom of the press and freedom of expression, and: "I think the right of privacy is endangered. I think the right of freedom of assembly is endangered... And I think equal protection under the law is also violated by many provisions of the Act."

Wishing you
a wonderful holiday season!



If you knew what we know....

During a November 18th panel discussion in Washington on the CIA, Eugene McCarthy noted that the CIA can develop a "private foreign policy" and serve as "a personal kind of State Department" for the President. Speaking at the School of Advanced International Studies, Johns Hopkins University, McCarthy said that the combination of a secret agency vulnerable to abuse and a President who is willing to abuse it is "a dangerous instrument in a democracy. And leaving out whether it's a success or a failure in its operations, I think you have to raise questions about institutional procedures. That's what the Constitution was all about. It didn't give more than two or three sentences to purposes. It went on page after page trying to lay out procedures whereby individual liberty and process would be protected."

McCarthy also noted problems in congressional committees which are supposed to oversee the CIA. He recalled one senator who said of the Agency's secret operations: "Just don't tell me; I don't want to know of it." Others on the supervisory committee said, "If you knew what we know..." McCarthy suggested that anyone who says that "ought to be taken off the committee; he has been at the front too long."

California and Alabama....

In a recent speech in Long Beach, California, Gene McCarthy criticized the Democratic party for its appeals to special interest groups. According to the Independent Press-Telegram of November 26th, McCarthy remarked: "They are still operating on the old New Deal approach of telling each group [the party] will do something for them. That's getting harder to do now that people realize that you can't help one group without hurting another."

"I think that what we have to do is challenge the two-party operation as it now performs and raise a new set of issues which are neither left nor right nor liberal nor conservative," he said.

"I don't think you can make the old distinctions anymore in the face of the problems that lie before us."

The Birmingham News of December 3rd reported some McCarthy comments on the state of the Democratic party:

McCarthy has one word for the Democrats' situation with regard to picking a candidate for 1976: "Chaos."

"Every candidate has his own program," said McCarthy, speaking of the dozen or so Democratic hopefuls. "I don't think they will come up with an adequate program for the country..."

How You Can Help



The Committee for a Constitutional Presidency is a group of citizens who plan to restore the presidency to the Constitution and to the people by electing an Independent national ticket in 1976. The citizens who drafted our Constitution wanted a President with no ties to political parties. We believe that experience has proven their wisdom on this and many other points.

We hope you will help us field an Independent ticket in '76. Here are some suggestions of what you can do now:

- Talk to friends and neighbors who want to see a fresh start in national politics. Listen to their complaints about the lack of leadership in the country and about the failures of political parties. Explain the idea of an Independent ticket to them, and enlist their support.
- Send us names and addresses of all who want to help so we can place them on our mailing list. (If you are unsure about the interest of some, just indicate that. We will send them one copy of COMMENTS '76 with a reply form to send back if they wish to receive future issues.) We think that good names and good lists make up about 50% of a winning campaign--so please keep sending them!
- Send a contribution to the Committee, and encourage others to do the same. (You can copy the contribution form in this newsletter and pass it on to potential donors.) There is a special need for money to place full-time organizers in the field.
- Let us know about any large group in your area which would like to hear Senator McCarthy. He is raising funds for the Committee through speaking fees at the same time that he explains the Independent idea.
- Write letters to editors of your local newspapers, noting the failures of political parties and explaining the Independent alternative for 1976.
- Start building local organization by gathering all who are interested for informal meetings to talk about what needs to be done.
- Let us know how you are doing and what kind of assistance you need. Send us your suggestions on how we can be most effective at the national level.

COMMENTS '76 - Paid for by Committee for a Constitutional Presidency. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.
Eugene J. McCarthy (Minnesota), Honorary Chairman.

Political Notes

In a November 19th runoff election, Virgin Islands voters chose the candidate of the Independent Citizens Movement as governor. Cyril E. King's victory in the U.S. territory was partly due to voter fears of a return to Democratic party machine control, such as the Islands experienced in the 1960s. **** In a November 20th column in the Washington Post, David Broder wrote of the strong anti-establishment feeling shown by voters in recent elections. Referring to campaign slogans used by such different candidates as George Wallace, James Buckley, and Gary Hart, Broder said: "Unless Congress and the President begin to perform and deliver in Washington, 'the message' may be sent to both parties in 1976 by an independent candidate who asks, 'Isn't it time we had a President?' and says 'They had their turn. Now it's our turn.'" **** Meeting in St. Louis in early December, Republican governors reviewed the disaster their party suffered at the polls last month. Governor Tom McCall of Oregon suggested: "The party needs to quit offering 19th century leadership while we're barreling down on the 21st." ****

The Democrats' mini-convention in Kansas City opened and closed to mixed reviews. Political reporter Jack W. Germond wrote in the Washington Star-News of December 8th: "This has been perhaps the most Republican Democratic party gathering in modern political history. At times it seemed that the only missing ingredient was a gallery of young people chanting 'Four more years' and launching orange balloons." Germond found the Democrats "pretty bland." Party chairman Robert S. Strauss proclaimed party unity, but many labor delegates went home angry. **** A recent Gallup poll showed George Wallace, Hubert Humphrey, and Henry Jackson as the frontrunners for the Democratic presidential nomination in 1976. Wallace-Jackson, anyone? Or Jackson-Humphrey? Or Humphrey-Wallace?

FREEBIES

You can obtain single copies of the following by writing to LITERATURE REQUESTS at the Committee address. You are welcome to copy them and run them off in quantity:

"What We Are Doing" -- Explains the Committee and its plans to run an Independent national ticket in 1976.

"How to Organize for an Independent Ticket in '76" -- Many ideas on how you can help.

"Eugene J. McCarthy--A Biographical Sketch" -- Includes a list of his books and some recent articles.

**"LET US RAISE A STANDARD TO WHICH THE
WISE AND THE HONEST CAN REPAIR"**




So said George Washington at the time of the Constitutional Convention. Washington and his colleagues raised the standard; but their successors have not always held it high.

The Committee for a Constitutional Presidency is concerned about the way in which political parties have come to dominate the presidency. And we are worried about the way recent Presidents have violated the Bill of Rights and have ignored the constitutional role of Congress.

We intend to elect Independent candidates for President and Vice President in 1976. We want to free the presidency from partisanship--and we want a President who respects the Constitution.

We need your aid in building an Independent effort that will offer American voters a real choice in 1976. Please help us place full-time organizers in the field by sending a contribution to: COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY, 1223 CONNECTICUT AVENUE, NW, WASHINGTON, D.C. 20036.


Mary Monroe, Treasurer

_____ I enclose \$_____ to help field an Independent ticket for 1976.

_____ I will join the Committee of 76,000 and pledge at least \$10 per year for 1974, 1975 & 1976. _____ First check enclosed.

_____ I will join the Committee of 7600 and pledge at least \$100 per year for 1974, 1975 & 1976. _____ First check enclosed.

_____ I will join the Committee of 76 and pledge \$1,000 per year for 1974, 1975 & 1976. _____ First check enclosed.

NAME

ADDRESS

CITY, STATE, ZIP CODE

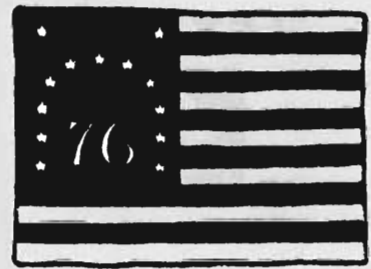
OCCUPATION

PRINCIPAL PLACE OF BUSINESS, IF ANY (Full name of employer, or name of business if self-employed; plus city and state)

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.



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A DECENT RESPECT TO THE
OPINIONS OF MANKIND

SPIRIT OF '76

OUR LIVES, OUR FORTUNES,
AND OUR SACRED HONOR



LIFE, LIBERTY, AND THE
PURSUIT OF HAPPINESS



COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY
1223 CONNECTICUT AVENUE, N.W.
WASHINGTON, D. C. 20036



COMMENTS '76

VOL. 2, NO. 1

JANUARY, 1975

McCarthy Announces in Madison

Eugene J. McCarthy formally announced his Independent candidacy for President in Madison, Wisconsin on January 12th.

According to Madison's State Journal of January 13th, about 1200 people "gave McCarthy a thunderous standing ovation Sunday night at the Capitol Theater just before he made the expected, formal announcement...."

"I HAVE OCCASIONALLY REFERRED TO THE PEOPLE WHO SUPPORT ME AS THE GOVERNMENT IN EXILE. AND IT MAY WELL BE THAT OUR TIME TO RETURN HAS COME." --GENE McCARTHY, JANUARY 12, 1975

"McCarthy said the main substantive issues facing the nation are the institutionalization of poverty and unemployment, and the failure of either party to deal adequately with the nation's resources.

"The nation, he said, was overconsuming and underproducing food. 'We wouldn't use the tools available to increase productivity,' he said.

"He said [overconsumption of] transportation in this country has become 'a national disgrace,' and that the automobile industry is equated with the war industry in that both stimulate capitalism.

"Yet 'cars are too big, use too much fuel, use too much space and kill too many people. But we treat them like a creation of God.'

"McCarthy also said the nation is overprepared for nuclear, conventional, and guerrilla wars...."

McCarthy's formal declaration followed a request by the Committee for a Constitutional Presidency that he be its candidate for President. (The Committee has since become McCarthy's principal campaign committee and has added "McCARTHY '76" to its name.)

The State Journal said that McCarthy was asked just before his announcement whether he really expected to win the presidency. His reply: "They won in 1776, didn't they?"

Brother, Can You Spare a Job ?

In "Curing the Economy" (January/February issue of The Center Magazine), Gene McCarthy recommends nine ways to overcome the combination of recession and inflation that we face today. Among the nine steps: "We must redistribute work. We haven't made a significant change in our wage and hour laws since the nineteen-thirties or early nineteen-forties. We have had forty years of technological change, but we still cling to the eight-hour day and the forty-hour week as the standard. If we are going to do anything about the six million people out of work, we will have to redistribute employment. It could be done by going to a four-day week, or a shorter month. My own preference would be for a shorter year."

\$ \$ \$

See the January 17th issue of Commonweal for "Campaign Dollars and Sense," a McCarthy article on the new campaign finance law. McCarthy quotes authorities ranging from Senator James L. Buckley to Alice in Wonderland to stress problems in the new law.

Whoops !

Though we try to avoid them, mistakes sometimes creep into our mailing list. We realize that it is bothersome to receive mail addressed to Mrs. if you are Ms., or to Ms. if you are Mr., or to James if you are Jones. If there is error in the way we have addressed your newsletter, could you please help us correct it by returning the following to MCCARTHY '76? Thank you!

I now receive COMMENTS '76 addressed this way:

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

It should be addressed this way:

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

____ My name is on your mailing list by mistake; please remove it.

COMMENTS '76. Paid for by Committee for a Constitutional Presidency--MCCARTHY '76. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.

DISSENT ON DEMOCRATS

Eugene J. McCarthy

Ed

Former Sen. Eugene McCarthy is honorary chairman of the Committee for a Constitutional Presidency, a temporary committee whose goal is to field an independent ticket in the '76 Presidential elections. The group, made up of McCarthy, a chairman, vice chairman, secretary and treasurer, formed itself at a Chicago conference in August of this year. The Committee currently operates from Washington with a largely volunteer staff and on a budget which is mostly the result of contributions raised by three committees: the Committee of '76, the Committee of '76 Hundred and the Committee of '76 Thousand.

The Committee plans to seek access to the '76 ballot on a state-by-state basis. Local committees will be formed in each Congressional district. The Committee is also planning to file suit to fight the new campaign reform bill which it regards as discriminatory to a third party and to independent candidates.

McCarthy has been speaking around the country on behalf of the Committee and has stated that, if the Committee asks him to run on an independent ticket, he would agree.

J.W.

On June 24, 1972, several people who had been active in Democratic Party affairs appeared before the Democratic Platform Committee to testify as to where the Party should stand on the issues. Among those who testified were Sen. Edmund Muskie, Rep. Shirley Chisholm, former Governor Terry Sanford and I. All of us had some substantive things to say about where the Party and the country should be going.



Many members of the Platform Committee were not present during the testimony. After I finished testifying I saw a platform-writer. I said, "What are you doing?"

He replied, "We have just finished writing the platform."

And I said, "Well, I am glad to know that because I just finished testifying on it."

When you have one or two experiences like that, you begin to wonder what kind of Party you are dealing with. You wonder why they even go through the motions.

We had a somewhat different experience in 1968, when the Johnson-B Humphrey forces controlled the convention and the decision about the Vietnam plank was made in the White House rather than by the delegates.

The 1968 and 1972 conventions showed that the Democratic Party was almost hopelessly divided on critical issues. This should not have been a surprise for anyone, because the old

New Deal formula for winning elections had been followed with less and less success since the death of Franklin Roosevelt. The one exception to the general rule, the 1964 Johnson landslide, can be largely explained by the Goldwater candidacy; for it is difficult to lose to a man who runs against history. Soon after the 1964 election, President Johnson faced significant opposition to his Vietnam policy within the Democratic Party. The opposition was first ignored, and then extreme efforts were made to discredit and silence it.

Most Democratic leaders publicly supported the Vietnam War in 1968. Several later claimed that they had been secret doves all along. One said that he had preferred to express his reservations about the war to President Johnson personally, rather than making public statements. Others had said they were against the war, but that they would support the Party nominee no matter who he might be or what the platform might say about the war. This was an extension of "my country right or wrong" to "my Party right or wrong."

After President Nixon assumed office, many of these same Democratic leaders discovered that the war was a bad one and said that the United States should leave Vietnam. But most did not insist on the kind of political settlement in Vietnam which could have brought peace to that land. Rather, they supported Mr. Nixon's "Vietnamization" program of having South Vietnamese soldiers do the same things that American soldiers had been doing; but they insisted that Vietnamization should proceed more quickly so that American troops could come home sooner. By avoiding the political

issues at stake in Vietnam, they helped assure that the conflict would continue to be a military one. Today American troops are home, but the war continues with financial support from the United States.

Today the Democrats are not united even on an alternative economic program for the country. There is a tendency to blame economic problems on Gerald Ford, the Federal Reserve, Herbert Hoover but not to offer much in the way of a positive alternative.

There are significant differences within the Party over other issues, such as detente and the size of the military budget. Yet instead of dealing directly with these issues, Democratic factions prefer to battle over procedural issues which should have been settled five years ago. The issue of "one person, one vote" was raised at the 1968 convention; and a reform commission that was to deal with this and other procedural questions began its hearings in 1969. The 1972 convention took a position in favor of proportional representation. Yet now we find that some within the Party want to reverse this position and even want to restore the unit rule.

Most Democratic leaders in 1968 supported what they called a "strong Presidency." When some of us suggested that President Johnson had over-personalized the Presidency and misused its power, they accused us of wanting a "weak Presidency." Now Democrats are writing books about the "Imperial Presidency" and saying that it must be brought under control.

When in 1968 I called for establishment of diplomatic relations with mainland China, most Democratic leaders disagreed or ignored the issue. But after Mr. Nixon and Mr. Kissinger made the opening to China, Democratic leaders thought it was a good idea.

When a party is consistently so wrong on important issues, and so timid and late on others, and has twice lost Presidential elections to Richard Nixon, one must ask whether it serves much purpose any longer.

If one accepts, as I do, that the Republican Party is not a good alternative, the question then becomes one of

whether the system should be challenged from the outside.

Recent polls have shown that about one-third of American voters consider themselves independents and that most voters want better choices in the next Presidential election than were offered in the last two.

The Committee for a Constitutional Presidency was formed last summer to assure them of such a choice in 1976. The Committee is making the case—a rather strong one—for presenting an independent national ticket in the next election.

This is an action more in keeping with the Constitution than the Party-dominated selection process we now have. The founding fathers would have considered a two-Party system for about five minutes before throwing it out. They did not even like the idea of political Parties, and they made no provision for them in the Constitution. Even some leaders who later went along with the Federalists or the Jeffersonians were never convinced that it was wise to develop a formal Party system. In his later years, John Adams wrote to Thomas Jefferson that "parties and factions will not suffer improvements to be made. As soon as one man hints at an improvement, his rival opposes it. No sooner has one party discovered or invented any amelioration of the condition of man, or the order of society than the opposite party belies it, misconstrues it, misrepresents it, ridicules it, insults it, and persecutes it. . . ."

One might say that at some points in American history political Parties served the country well by sharpening issues and presenting genuine choices to the voters. But that is not the case today. The Parties have become ends in themselves, rather than means through which citizens can express their opinions and affect policy.

Moreover, the major Parties have been given unfair advantages through state laws which favor them over independent candidates and other challengers from the outside. Now the Parties are trying to freeze themselves into permanent existence through the new campaign finance law.

This law has been widely criticized, and rightly so, for discriminating

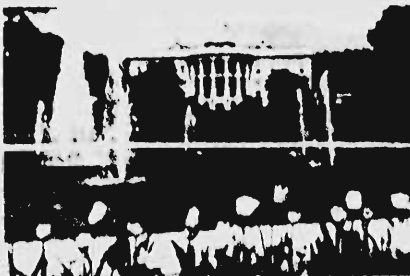
against candidates who challenge incumbent Members of the Congress. For this and other reasons, Sen. James Buckley of New York said before its final passage, "To offer this bill in the name of reform is an act of unprecedented cynicism." Democrats, rather than Sen. Buckley—or at least Democrats along with Sen. Buckley—should have opposed the bill.

Another, less-noticed form of discrimination in the new law is the one against independent candidates and new parties. Neither will be eligible for public funding until after the general election in 1976. Yet each major-Party nominee for President will receive \$20-million in public funding during the fall campaign. Each major Party will receive \$2-million in public funding to pay for its convention. This will give the Democratic and Republican Parties, already favored by state laws, an overwhelming advantage over all other political groups. Essentially the new law gives the major Parties a 40-yard head start and tells the independents and others, "If you can make up that 40 yards, you will get credit for the last 10."

The Parties are trying to guarantee their own funding when they are at one of their lowest points in history, when more and more voters want a genuine alternative.

It is all the more important, therefore, to challenge their monopoly over the Presidential election system. We intend to do this, first by challenging the new campaign law—which we believe to be clearly unconstitutional; second, by challenging those state laws which discriminate against independent elector candidates; third, by dealing with serious Constitutional issues relating to the conduct of the Presidency; and fourth, by dealing with all the substantive issues that the Parties have neglected or mishandled.

What is proposed by way of freezing the major Parties into our political system should be rejected with the same alacrity as a suggestion that the Constitutional protection of religious freedom would not be violated if we had not one established religion—but two. We should not have an established political party in America; nor should we have two of them.



GIVE THE PRESIDENCY

BACK TO THE PEOPLE!

The first Presidents of the United States did not view their office as a personal possession or a chance to earn a place of glory in history. They saw themselves as servants of the people and of the Constitution.

Eugene McCarthy views the presidency in the same way. He has said that a President should understand that "the potential for leadership in a free country must exist in every citizen. Sensing the will of the people, he must be prepared to move out ahead so that the people can follow, giving direction to the country and guiding it, largely by way of setting people free."

On January 12, 1975 Eugene McCarthy announced his Independent candidacy for the presidency of the United States.

We ask you to aid his campaign by sending a contribution to: MCCARTHY '76, 1223 CONNECTICUT AVENUE, NW, WASHINGTON, D.C. 20036. Please send as much as you can. We will make every dollar go as far as it can.

Mary Monroe
Mary Monroe, Treasurer

I enclose \$ _____ to assist Gene McCarthy's Independent campaign for President of the United States.

Name

Street Address

City, State, Zip Code

GOOD NEWS: You may claim a federal tax credit or deduction for small political contributions. If you elect the credit, you may claim one-half of the political contributions you make during your tax year--but not more than \$25 (or \$50 if married and filing a joint return). If you choose the deduction instead, you may claim up to \$100 of the political contributions you make during your tax year (or \$200 if married and filing a joint return).

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

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Republican Woes

In their column of December 18th, Rowland Evans and Robert Novak wrote about the proposed \$2 million advertising campaign to sell the Republican party to the American people--a project sponsored by GOP leader Mary Louise Smith: "The heart of the criticism of Mrs. Smith's effort to give the Republican Party an attractive new facade through massive advertising over television, radio and in the daily and periodical press is that there is nothing to advertise...."

Douglas Hallett, who used to be an aide in the Nixon White House, had a piece in the Wall Street Journal of January 3rd called "The GOP's Ideological Poverty." Mr. Hallett commented: "Major political parties do not ordinarily die because of their views. Historically, political parties which have lost public favor, the Whigs in this country and the Liberals in England, have done so because they have lost track of the need for any views--because they have become, as the Whigs were called, the 'Stupid Party.' Yet as clear as this message is...it is not one which seems to have penetrated either the Ford White House or the other potential forums for Republican leadership...."

Patrick Henry, Where Are You ?

In a December 29th appearance on the CBS program, "Face the Nation," John Gardner of Common Cause was asked about the charge that the new campaign finance law abridges First Amendment freedom. Mr. Gardner replied, "Well, in any question of this sort you have to weigh what you want to gain and what you want to give up, and I have to say that the experienced people who drafted this law were keenly aware of the issues that you mention. They were also aware of what--of the tradeoffs...." Pressed further on the issue, Mr. Gardner remarked, "I'm saying that there are constitutional rights and constitutional rights, and that you always have to weigh something against something else, and one danger to our system versus other dangers to our system...."

McCarthy 76
1223 Connecticut Avenue, NW
Washington, D.C. 20036

MR. DOOLEY

"An' so it goes, Hinnissy, till I'm that blue, discouraged, an' broken-hearted I cud go to th' edge iv th' wurruld an' jump off. It's a wicked, wicked, horrible, place, an' this here counthry is about th' toughest spot in it. Is there an honest man among us? If there is throw him out. He's a spy. Is there an institution that isn't corrupt to its very foundations? Don't ye believe it. It on'y looks that way because our graft iditor hasn't got there on his rounds yet.... But we're wan iv th' gr-reatest people in th' wurruld to clean house, an' th' way we like best to clean th' house is to burn it down.... somebody scents something wrong with th' scales at th' grocery-store an' whips out his gun, another man turns in a fire alarm, a third fellow sets fire to th' Presbyterian Church, a vigilance comity is formed an' hangs ivry foorth man; an' havin' started with Rockyfellar, who's tough an' don't mind bein' lynched, they fin'lly wind up with desthroyin' me because th' steam laundhry has sint me home somebody else's collars."

--Finley Peter Dunne, Dissertations by Mr. Dooley (New York, 1906).

A Good Tradition

When ratification of the Constitution hung in the balance, Alexander Hamilton, James Madison, and John Jay wrote a series of letters which were published in New York City newspapers in 1787-1788. Their letters helped win ratification and also became a classic political document--The Federalist Papers.

When you write a letter to an editor, you follow an honorable tradition--and one that has proven to be effective. Let your editor know how you feel about the failures of the political parties and the hope that an Independent ticket offers. Encourage full and fair coverage of Gene McCarthy's campaign.

COMMENTS '76

VOL. 2, NO. 2

MARCH, 1975

McCarthy Leads March Against Strip Mining

During a protest against strip mining in late February, Eugene McCarthy told a group of West Virginians that America is "not really suffering from an energy crisis. We are the greatest overconsumers of fuel in the history of the world." He said that the country "is not under the kind of economic pressure that justifies the strip mining of coal."

McCarthy led a February 23rd march in Charleston against strip mining, then addressed the protesters from the steps of the State Capitol. Calling for a cutback in consumption, McCarthy declared that the proper order of national priorities should place people first, land and resources second, capital and profit last. But he said that today's priorities "are the direct reverse of that. The time has come for us to look at what America stands for."

During his West Virginia trip, McCarthy also visited Marshall University and addressed the Rotary Club of Huntington. On the subject of nuclear agreements, he remarked to the Rotarians: "We have agreed not to explode bombs in outer space, on the ocean floor and in Antarctica. I'd like to see us agree not to explode bombs where people live."

(See page 5 for newsclips on the West Virginia visit.)

McCarthy Schedule

Speeches are slated for most of these places; there will also be fundraisers in Chicago, Seattle, Spokane, and Portland. More events will be added...

March 1	Chicago, Ill.	March 25	Chicago, Ill.
March 2	Chicago, Ill.	March 26	Indianapolis, Ind.
March 3	Chicago, Ill.	April 9	Canton, N.Y.
March 4	Washington, D.C.	April 14	Wilkes-Barre, Pa.
March 6	New York, N.Y. ("Today" NBC-TV)	April 21	Mt. Carmel, Ill.
March 7	Albany, N.Y.	April 21	Jacksonville, Ill.
March 9	Boston, Mass.	April 22	Olney, Ill.
March 10	Boston, Mass. ("Good- morning Boston" ABC-TV)	April 23	Chicago, Ill.
March 11	Washington, D.C.	April 24	Northfield, Minn.
March 15	Hibbing, Minn.	April 28	Seattle, Wash.
		April 29	Spokane, Wash.
		April 30	Portland, Ore.

McCARTHY '76

Our new bumper sticker measures 3" x 11 1/2"; it is white on blue. The star represents Senator McCarthy's home state of Minnesota--the North Star State. The new button is dark-blue on white...When you wear a button, people come up and ask you about the campaign...a good way to find more McCarthy supporters...And a bumper sticker is like a little billboard...Order extra buttons and stickers for friends and neighbors...

Please send me _____ buttons at 25¢ apiece or 5 for \$1.

Please send me _____ bumper stickers at 25¢ apiece or 5 for \$1.

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

(Please enclose payment and send this to: McCARTHY '76,
1223 Connecticut Avenue, NW, Washington, D.C. 20036.)

Advertising Aid

Andy Boehm, a political media consultant and supporter of Gene McCarthy's Independent presidential bid, has prepared several radio spots to draw crowds to McCarthy speeches. These spots can easily be altered to fit particular circumstances. If you would like one or more 30-second or 60-second spots (featuring McCarthy's voice), with your event advertised by a professional radio announcer, call Andy at 608/257-0120 or write him c/o Full Compass Media, 55 North Dickenson Street, Madison, Wisconsin 53703. Be sure to include all details (day, time, place, etc.) and the exact wording for the required disclaimer. These spots, tailor-made for your event, will be available at cost IF ANDY IS GIVEN AT LEAST ONE WEEK'S ADVANCE NOTICE BEFORE THE FIRST BROADCAST DATE.

Hizzoner

Mayor Richard J. Daley of Chicago is completing his 20th year in office and has just won the Democratic nomination to a sixth term. Daley enthusiasts may now look forward to the time when Hizzoner will surpass in length the reign of Henry VIII or Queen Victoria.... Anti-Daley forces tried to defeat the Mayor in a Democratic primary--instead of running a strong Independent against him in the general election. The Republican who was nominated to face Daley does not want to run. Said the Republican: "How can a firecracker defeat an atom bomb?"

INDEPENDENTS AT FORTY PERCENT

A recent poll commissioned by the Republican National Committee found that 40% of adult Americans consider themselves to be Independents. The poll found Independents almost even with Democrats (who are at 42%) and far ahead of Republicans (who are at 18%). The Washington Post of January 26th reported that "the findings also showed that voters seemed to be more anti-Republican than they are pro-Democrat." According to the Post, one Republican pollster said that "when voters were asked to name one thing they liked about the Republican Party, two-thirds could not find anything to mention. But 40 per cent of the voters also said they could not find a single good thing to say about the Democratic Party."

For the Record

Senator Henry Jackson (D-Wash.) recently announced his candidacy for the Democratic presidential nomination. In a February fundraising letter, he wrote, "Long before civil rights were popular, I helped enact the Civil Rights Act of 1957." He also remarked that the 1976 Democratic presidential candidate "must offer a guarantee that he will not lead this country into another pointless war." But note some earlier Jackson comments:

1968 Capture of the Pueblo by North Korea: "....Jackson, warning of nuclear warfare, said, 'I'm sure that our plans call for that kind of action. If they make an all-out attack on South Korea, some kind of use will have to be made of tactical nuclear weapons.'" --Seattle Post-Intelligencer, January 25, 1968.

1972 Bombing of North Vietnam: "Asked in press interviews during the morning about his reaction to the current bombing of Haiphong and Hanoi, Jackson said, 'It has come six years too late.' He said he advocated closing the port of Haiphong in 1966. He said he supports Nixon in any necessary bombing to halt movement and supplying of North Vietnamese troops but he is puzzled and doesn't understand the strategy bombing of Hanoi and Haiphong at this withdrawal point. He did not say he opposed it...." --Youngstown Vindicator, April 17, 1972.

1974 Comment on George Wallace: "Sen. Henry Jackson believes Gov. George Wallace is 'eminently qualified' to be president or vice-president.

"Speaking in Huntsville Friday night, Jackson said he would be proud to 'be on top or bottom of a ticket with Wallace'-- provided the Democrats nominate the Governor...." --The Birmingham News, February 16, 1974.

COMMENTS '76. Published every two months. Paid for by Committee for a Constitutional Presidency--McCARTHY '76. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.

Where Does the Money Go???

Anyone who makes a political donation has a right to ask where the money goes.

Here is how your contribution helps place our message before the country:

\$5 sends this newsletter to 50 potential volunteers.

\$10 sends a press release to 100 reporters and columnists.

\$25 prints almost 1,000 flyers.

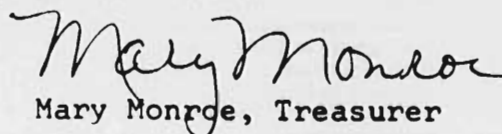
\$210 buys a typewriter.

\$500 buys a six-month supply of paper for our mimeograph machine.

Your donation might also be used to finance a campaign trip or to help support a full-time organizer in the field.

We spend very carefully. Generous volunteer support enables us to stretch every dollar for greatest political effect.

Please give us more dollars to stretch by sending a contribution to: McCARTHY '76, 1223 CONNECTICUT AVENUE, NW, WASHINGTON, D.C. 20036. I promise that your money will be used well.


Mary Monroe, Treasurer

I enclose \$_____ to assist Gene McCarthy's Independent campaign for President of the United States.

Name

Street Address

City, State, Zip Code

REMINDER: You may claim a federal tax credit or deduction for small political contributions. If you elect the credit, you may claim one-half of the political contributions you make during your tax year--but not more than \$25 (or \$50 if married and filing a joint return). If you choose the deduction instead, you may claim up to \$100 of the political contributions you make during your tax year (or \$200 if married and filing a joint return).

A copy of our report filed with the appropriate supervisory officer will be available for purchase from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 or from the Federal Election Commission, Washington, D.C.

Overconsumption By U.S. Fuel Culprit: McCarthy

By THE ASSOCIATED PRESS

Presidential candidate Eugene McCarthy told an anti-surface mining rally Sunday the United States is "not really suffering from an energy crisis."

"We are the greatest over-consumers of fuel in the history of the world," he told 250 persons at the capitol-steps rally that followed a two-mile march from the Charleston Civic Center

Consumption must be cut back and the nation's assets of agriculture, water, coal and iron emphasized, the 1968 candidate for the Democratic presidential nomination said.

"If we can put these together in a reasonable, moral order," he said, the United States can take care of its own needs and be a force in the world.

That "proper order" should place people as the most important, followed by land and resources and finally by capital and profit, the former Minnesota senator said.

But today's priorities "are the direct reverse of that," he said. "The time has come for us to look at what America stands for."

McCarthy said that in his campaign for the 1976 presidency, he could focus on issues related to what he called the most neglected part of the Declaration of Independence: the provision for "pursuit of happiness."

That provision has the "object of giving the people of this country a better life," he said.

Part of Minnesota has been a "colony of the U.S. Steel Co." because of iron mines, he said, and the state government allowed that firm to avoid taxes and pollute Lake Superior because of "economic pressure."

Those corporations that want surface mining are using similar economic pressure on West Virginia to insist that the coal obtained through stripping is needed in the energy crisis, he explained.

Marchers carried to the capitol a coffin designated for Bolt Mountain, a heavily stripmined area in Raleigh and Wyoming counties. Others

had signs that said, "Save the Land for the People," "Think about our Future."

Large contingents marched from Sugar Hill in Marion County and Richmond in Raleigh County, two areas where local residents have been fighting surface mining operations.

Chester Workman of the

Richmond section of Raleigh County told the rally, "The stripping devastation of the land of Raleigh County and the state of West Virginia don't involve no one but the money people. They sit behind their desks and make money and don't do nothing for the people of West Virginia."

State Sen. Si Galperin, D-

Kanawha, a supporter of anti-surface mine legislation, said West Virginia's strip-mined coal is only 3.5 per cent of the nation's production. He cited an Appalachian Regional Commission report that said a stripping abolition would stimulate deep mining and result in an economic boom.

The Advertiser — Huntington, W. Va., Monday Feb. 24, 1975

Economy no surprise --McCarthy

By BOB HALL
Of The Advertiser staff

"No one should have been surprised when the economy came apart," Eugene McCarthy said this morning.

The independent presidential candidate and former senator was in Huntington today to address a noon meeting of the Huntington Rotary Club. He said he would discuss the state of the economy and a reordering of priorities in the use of natural and human resources.

In an interview prior to the speech, McCarthy said the current economic crisis should have been forecast. He also said the oil crisis, while more sudden than the deterioration of the economy, could have been anticipated.

However, he said it was unfair to place the blame for the oil crisis on the oil companies exclusively.

"The oil companies had no social or political direction. Until the crisis, we had demanded oil and they had provided it at fairly reasonable prices.

"They did not make any decision that we were over-consuming. The public and the government should have provided them with direction on how to handle over-consumption," McCarthy said.

In reference to American oil companies' dealings in the Middle East, he

said it was a contradiction to criticize International Telephone and Telegraph (IT&T) for becoming involved in foreign policy and criticizing the oil companies for not becoming involved.

At an anti-strip mine rally in Charleston yesterday, McCarthy said coal interests would never find a convenient time to ban strip mining.

However, this morning he said it would probably be better to ban strip mining now while coal prices are high and companies can afford investments in deep coal mining.

McCarthy also said coal would play an important role in providing for future energy needs.

"In 50 years, its use may have to be carefully regulated in order to make sure it is not wasted. We may be in the same position with coal as the Middle East is with oil," he said.

McCarthy also said the use of resources in the past had suffered from bad management, bad direction and a failure to anticipate problems.

However, he said there was still good potential for progress "within the structure of the free enterprise system."

McCarthy said he expansion of the economy has never been great enough to absorb the number of unemployed persons. He said a broad national policy, similar to the move in the 1930s establishing a 40-hour work week and an eight-hour day, was required to redistribute available work.

"We must consider the human needs first," he said.

McCarthy's final appearance in his weekend visit to West Virginia was to be at a reception at the Marshall University Campus Christian Center tonight at 6. The reception is open to the public.

McCARTHY ON CAMPAIGN OUTLOOK

In a long interview printed in the Washington Star of May 9, 1975, Eugene McCarthy noted failures of the Democratic and Republican parties and added, "I think that the strength of the Wallace movement is also clear evidence of dissatisfaction with the two major parties." Asked whether he anticipated Ronald Reagan or George Wallace third- or fourth-party campaigns in 1976, McCarthy said he did not know what Reagan and Wallace will do, but: "Our general conclusion is the more parties there are the better it is for us, because we think our position is the firmest--that in the long run of 1976 it will withstand the test better than any of the others."



In an earlier interview in Northfield, Minnesota, the Independent candidate suggested that the Democratic party in 1976 either will be deeply split or "will look for a compromise platform and a compromise candidate. And if they begin to move back to that, I would expect they'd probably stop at about the 1948 platform. And when they got there, they would find Senator Humphrey ready and waiting to go." (Interview on Station WCAL, April 24, 1975) He said of his own campaign, "We see a good possibility of winning, especially in light of the failure of the two major parties." (St. Paul Dispatch, April 25, 1975.)

In a recent, two-week swing through the Midwest and West, McCarthy stressed positive initiatives on job creation, aid to the poor, and disarmament. (See page 2 for some recent newsclips and page 3 for editorials.)

Film Bookings

Now available for our fundraising is a 90-minute documentary on the 1968 McCarthy campaign, "America Is Hard to See." Directed by Emile de Antonio (who also made "Point of Order" and "Millhouse"), the film presents one of the most unusual campaigns in American history. To make arrangements for a showing in your community, please write FILM BOOKINGS, MCCARTHY '76, 1223 CONNECTICUT AVE., NW, WASHINGTON, D.C. 20036.

'76 candidate McCarthy urges work redistribution

The Washington Star

Wednesday, May 14, 1975

By TODD ENGBAHL
of The Oregonian staff

Independent presidential candidate Eugene McCarthy brought his low-key campaign to the convention of the National Association for Community Development in Portland Wednesday, calling for a new commitment to end poverty.

McCarthy referred briefly to the end of the Vietnam war at a press conference later, saying that while the nation should avoid recriminations about the war, it should not forget the lessons of that conflict.

McCarthy, an early critic of the war, said the United States must never again put itself into the position of being drawn unwillingly or unwittingly into a war because of blind commitments to causes or other nations.

He also said that the Vietnam war should teach us that military solutions cannot be used to deal with every international problem.

McCarthy criticized military spending in his speech to the group, which is composed of people involved in local antipoverty and community development agencies.

McCarthy said a "serious area of waste is in the area of defense," calling America "overdefended."

Supports proposed

He said the United States has enough nuclear weapons to destroy the Soviet Union many times over, and that with conventional weapons America is merely preparing to fight another war like World War II.

Referring to the Declaration of Independence, McCarthy said the nation must redirect its resources from wasteful areas like defense spending and big

automobiles toward "a political and economic program designed to help people in the pursuit of happiness."

McCarthy said "poverty is not going to go away unless we do something about it," and he suggested government income supports to help the poor and redistribution of work to ease unemployment.

He suggested that the day, 8-hour day, five-day week work system should be reduced to allow more persons to work.

"Instead of having 90 per cent of the people do 100 per cent of the work, we should perhaps have 98 per cent of the people doing 100 per cent of the work."

Speaking to reporters later, McCarthy said that in his presidential campaign "we're going to lay down a broad program and hope we get a broad response. We expect support to be across the board."

McCarthy added that he expected strong support from younger voters, who were a mainstay of his try for the Democratic presidential nomination in 1968, because they are less tied to the Democratic and Republican parties.

McCarthy said neither of the two major parties are proposing adequate solutions to economic and other problems...



Rise of the Independents

Gov. James Longley of Maine feels an independent candidate can be elected president of the United States in the next couple of elections. An independent himself, Longley said he thinks people registering as independents are "campaigning against politics." He said the independent movement is a "positive force." "Listen to the kids," he said, "They're finding their own solutions."

—John McKeown

Tues., Apr. 29, 1975 Seattle Post-Intelligencer

Gene Promises 'No Rose Garden'

BY JOEL CONNELLY

P-I Staff

BELLINGHAM—In what seemed reminiscent of his 1968 candidacy of 1968, a politically reborn Eugene McCarthy campaigned both for and against the presidency here yesterday.

McCarthy told audiences he stands an excellent chance of winning as an independent candidate in 1976 with a program of economic reform and "depersonalizing the presidency."

"One of my first acts would be to take out the White House rose garden," he said at one point. "I'd replace it with humble vegetables like cabbage and carrots."

Presidents have used the rose garden as a place to announce irresponsible policies. You'd have trouble announcing war in a cabbage patch."

McCarthy's audience of 1300 Western Washington State College students loved every jab at every joke.

One young man asked the former Minnesota senator what he would do about legalizing marijuana. "I'd have them put a warning on the package," said McCarthy to cheers.

A series of McCarthy also told students that Republicans and Democrats must share equal blame for America's failure in Vietnam and recession at home.

Vietnam was "a copycat Johnson's war and Nixon's war," he said. "Democrats called it Nixon's war and denounced it, after supporting Johnson's war."

McCarthy said his hopes for an independent victory in 1976 have been augmented by polls showing independents outgrowing both major parties.

McCarthy outlined the elements of his 1976 platform to students.

He promised to shorten the work year, control corporations and cut the federal spending.

He also promised a horse-drawn tax to reduce gasoline consumption and American automobiles.

COMMENTS '76. Published every two months. Paid for by
McCarthy '76. 202/737-4900. Ronald Cocome (Illinois), Chairman;
Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt
(New Hampshire), Secretary; Mary Monroe (Florida), Treasurer.

INSIDE DOPE

by Andy Boehm

The American Association of Political Consultants--the men and women who manage campaigns, create campaign ads, and measure public opinion--held a conference in Washington, D.C. earlier this year. Many of the symposia and speeches at the conference touched on subjects of interest to a movement supporting an Independent presidential candidate. Among the most noteworthy:

CAMPAIGN "REFORM"--Regardless of political persuasion, none of the consultants and journalists attending the conference had anything good to say about the changes in the rules of national elections. Most saw the new laws as overreactions to Watergate that would reduce electoral competition for all offices. Nearly everyone expressed confidence that the laws would be overthrown in the courts.

PROSPECTS FOR INDEPENDENTS--A symposium of state party leaders showed most of them skeptical about the success of any political movement outside the two-party system. The one rather vigorous dissenter was Harold Jones, then G.O.P. chairman of Maine, a state that recently elected an Independent Governor. And in another meeting, Washington columnist George Will stated his belief that the dominance of the two parties might come to an end in 1976.

PUBLIC OPINION--Four pollsters discussed their recent findings on politics and future political trends. The overwhelming impression left by their interchange was that a greatly dissatisfied American electorate is waiting for better alternatives than the choices they've faced in recent elections. The pollsters said that increased voter education seems to be leading to decreased electoral participation. This prompted Pat Cadell to say that politics is taking on the nature of a "spectator sport."

Most heartening to the Independent McCarthy candidacy were the reports that most voters now perceive a distinct lack of quality in national leadership and that they have grown tired of politicians who want only to bring good news to the voters. Gene McCarthy inevitably came to mind when pollster Peter Hart said that "the American people are willing to act on difficult choices, and this is the time for our leaders not only to say that there is bad news but then to present a long-range, coherent strategy necessary to deal with these situations."

(Andy Boehm, of Madison, Wisconsin, is a political media consultant and a McCarthy supporter.)

A Word from Minnesota

Karl Gruhn, Minnesota businessman and McCarthy supporter, was quoted on McCarthy's chances this way in the Washington Post of April 28, 1975: "People ask me, 'Can he win?' They should be looking for a man who can change things, and then set about seeing that he wins."

FREEBIES

Single copies of the following are available free from McCARTHY '76:

"Curing the Economy" -- McCarthy article in The Center Magazine,
January/February, 1975.

"Eugene J. McCarthy--A Biographical Sketch" -- Also lists his books
& recent articles.

"Eugene McCarthy and Clifton Fadiman -- Interview in Center
on Personal Philosophy and Politics" Report, December, 1974.

"How to Organize for McCARTHY '76" -- Many ideas on ways to help.

"Look Out, America, McCarthy is Back" -- Favorable quotes from
leading newspapers.

"The Independent Way" -- Explains Independent route to White House.

IF EVERYONE WHO READS THIS SENDS \$10-----

our organizing will snowball in a dramatic way. We will place
several full-time organizers in the field; they, in turn, will
help local groups start petition campaigns for ballot placement.

We have to remember the competition. George Wallace alone
raises \$21,000 a day--on a "slow" day! Most of this comes in
small contributions.

We believe that we can make a dollar go farther than any
other campaign can make it go; because we avoid frills and spend
with great care. But we need more dollars to stretch. Please
send as much as you can--\$10, \$25, \$50, \$100, \$500--to McCARTHY '76,
1223 CONNECTICUT AVENUE, NW, WASHINGTON, D.C. 20036.


Mary Monroe, Treasurer

I enclose \$ _____ to help elect Gene McCarthy President of the U.S.

_____ I would like to write friends and urge them to contribute.

Please send me _____ information packets to send with my letters.

Name

Street Address

City, State, Zip Code

A copy of our report is filed with the Federal Election Commission
and is available for purchase from the Federal Election Commission,
Washington, D.C.

Our Kingly Presidents

THOUGHTFUL Americans will applaud Eugene McCarthy's call for stripping the office of the Presidency of the mystique and trappings that have surrounded it in recent years.

The next President must return the office to its constitutional role, said McCarthy, who is running as an independent candidate for President in next year's election.

Just how far recent Presidents have tended to overpersonalize the office and over-emphasize its military role is revealed in a speech McCarthy made last week at St. Olaf's College, Northfield, Minn.

McCarthy recalled that a 1974 summary counted a presidential staff of over 500 persons; about

100 domestic servants and gardeners and maintenance workers at the White House; a transportation fleet of 32 cars, 16 jets and 16 helicopters; and many other services and privileges.

Another study shows the alarming militarization of the highest civilian post in the nation. At the end of 1973 there were 14 military officers assigned to the White House, over 90 Navy men were running the White House Staff Mess and operating the Presidential yacht; about 65 Army enlistees served as chauffeurs.

THE WHITE House has almost become a little nation, with pomp and circumstance more appropriate to royalty than to a democracy. In fact, there are some crowned heads of state with

far less monarchical folderol than that surrounding the American Presidency.

The heavy influx of military men may help explain why recent Presidents have regarded the role of commander-in chief as their primary one, McCarthy points out.

No Roman emperor, or Bourbon king of France, or Genghis Khan ever had one-tenth of the veritable army of personal aides, secretaries, security officers, sycophants and political cronies that are on the White House payroll.

LOUIS XIV might be forgiven his kingly arrogance in claiming "I am the state." But it is presumptuous for the elected head of a democracy to put on kingly airs.

No wonder a man like Richard Nixon came to feel above the law. He had been courted and cozened so fulsomely that it turned his head.

McCarthy, as usual, has pointed us again in the right direction.

CHICAGO DAILY DEFENDER May 6, 1975

The poor are ignored

That America's poor are the chief victims of the recession and the most neglected in economic recovery programs of Democrats and Republicans, was a timely observation of former Senator Eugene J. McCarthy in a speech prepared for delivery to the annual conference of the National Association for Community Development.

He noted that a "cut in income taxes does not help very much when you are too poor to pay income tax in the first place." McCarthy, an independent Presidential candidate, called for creation of new jobs by shortening the work week or work year and for "assuring an adequate income to those who are unable to work."

This new perception calls for a reorganized social order. This may sound revolutionary in outlook and approach, but it is the ultimate direction toward which the workaday world is moving. If the ideals and the morality which underpin modern society are to be preserved, the poor must have their day in court. McCarthy's notion is practical and workable.



CREDITS: Photo, p. 1, Judith Barry Smith (McCARTHY '76 Staff Photographer); Drawings, pp. 2-3, Taylor Jones (reprinted, with permission, from the Charleston Gazette, February 26, 1975).



1223 Connecticut Ave., N.W., Washington, D.C. 20036
McCARTHY '76

VINTAGE McCARTHY

"ONE OF MY FIRST ACTS WOULD BE TO TAKE OUT THE WHITE HOUSE ROSE GARDEN. I'D REPLACE IT WITH HUMBLE VEGETABLES LIKE CABBAGE AND SQUASH.

"PRESIDENTS HAVE USED THE ROSE GARDEN AS A PLACE TO DIS-GUISE IRRESPONSIBLE POLICIES. YOU'D HAVE TROUBLE ANNOUNCING WAR IN A CABBAGE PATCH."

--QUOTED IN SEATTLE POST-INTELLIGENCER, APRIL 29, 1975

* * *

"REMINDING THAT MUCH OF HIS 1968 VOLUNTEER ARMY WAS MADE UP OF TEEN-AGERS, McCARTHY GRINS IN APPROVAL AND RETORTS: 'THAT'S RIGHT. AND THEY'RE ALL OLD ENOUGH TO VOTE NOW.'"

--AKRON BEACON JOURNAL, MAY 5, 1975

* * *

ON PAUL REVERE'S RIDE: "HENRY JACKSON PROBABLY WOULD HAVE SAID, 'ONE IF BY LAND, TWO IF BY SEA, AND ONE AND TWO IS THREE. THEY'RE ALSO COMING BY AIR, AND WE'D BETTER BE READY FOR THEM.'"

--QUOTED IN WASHINGTON POST, APRIL 28, 1975

At least he talks a good game

Over the coffee

By DONALD KAUL

People often ask me whom I would like to see become president of the United States in 1976. (Not so often as they ask me whether I'd like aluminum siding on my home, but still often.)

It's not an easy question. An easy question is whom I would like to see NOT become president of the United States in 1976.

Namely Gerald Ford, Teddy Kennedy, Richard Nixon, Scoop Jackson, Nelson Rockefeller, Hubert Humphrey, George McGovern, Ronald Reagan, Barry Goldwater, Lloyd Bentsen, Jimmy Carter, George Wallace, Edmund Muskie, Sargent Shriver, Eunice Shriver, Fred Harris, Terry Sanford, Mo Udall, John Gardner, Ralph Nader, Shirley Temple Black, Joan Crawford, Jimmy the Greek, Muhammad Ali, Tatum O'Neil and Evil Knievel; that's whom. And those are my openers.

The complete list would encompass all of Congress, the Supreme Court, the Governors Conference and most of the telephone books of the major and minor cities of the United States.

There are times when I think the best thing to do would be to leave the office vacant (although there those who will argue persuasively that we're experimenting with that concept right now.)



Still, if you have to have a president and it has to be one man, I suppose my choice would be Eugene McCarthy.

I don't know whether it's possible to be a "good president" these days, much less whether McCarthy would be one, but he would be a literate president and I think the country is ready for that.

Take, for example, his testimony last year on detente, given to the Senate Foreign Relations Committee:

"We have reached, I fear, a state of apprehension very near that of the animal in Franz Kafka's story, 'The Burrow' . . . No matter how secure it was, or how well-secured its hoard of food, it nonetheless could hear a strange sound . . . and felt the need for more security."

That's class. Can you imagine any of the above-mentioned clowns quoting Kafka?

McCarthy exhibits a sensitivity to language that is well beyond others in public life. And since the president is supposed to be our Great Communicator, why not have one who is sensitive to language?

McCarthy was interviewed the other week by John Boyles, editor of a newsletter, Washington Watch. As usual, he said some interesting and provocative things. Among them:

"I spoke to some Yoga people a week or two ago. They had started a Yoga school. They were encouraged because a member of Congress had signed up. I said I didn't know quite what that meant but that I did know that there's a karate school in Washington that gets a lot of members of Congress . . . and they don't go there secretly. They have their pictures taken as they do their karate routine."

"Our total posture is like the karate people. We're the most overdefended people in the world. Even now, little or no progress has been made toward disarmament. We have agreements not to deploy nuclear bombs in outer space, in Antarctica, or on the ocean floor. It would be far better to have agreements not to explode them in places where people live — like Moscow and New York."

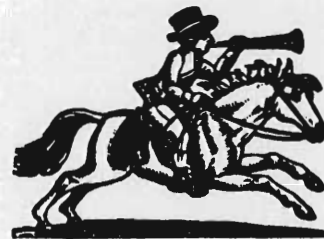
One of his favorite themes is the imperial presidency.

"Recent presidents have been distracted by the trappings of the office, have overpersonalized it, have over-emphasized its military role. I recall that there was a summary made in 1974 of the presidential office. It revealed a presidential staff of 500 with about 100 domestic servants, gardeners and maintenance workers at the White House. It had a transportation fleet of 32 cars, 16 jets and 16 helicopters. It's almost like a little nation itself."

Asked whether the huge federal bureaucracy didn't demand a large White House staff, he answered:

"Well, I think our country isn't as well governed now as it was in the early days of the Republic. The early presidents didn't have the distractions that the trappings of a monarchy provide. Also, the office wasn't militarized the way it is today. There was another study which showed at the end of 1973 there were 14 military officers assigned to the White House . . . that over 90 sailors were running the White House staff mess and the presidential yacht. . . that about 65 Army enlisted men were chauffeurs for White House staff. Of course, Air Force pilots fly the president's planes, and the military even provides social aides for White House dinners. . . It might help explain why so many presidents recently have regarded the role of commander-in-chief as their primary one."

So maybe he only talks a good game. At least that's something.



COMMENTS '76. Paid for by McCARTHY '76. Ronald Cocome (Illinois), Chairman; Barbara Barron (California), Vice Chairwoman; Suzannah B. Hatt (New Hampshire), Secretary; Mary Monroe (Florida), Treasurer. Photo Credit, p. 1: Judith Barry Smith, McCARTHY '76 Staff Photographer.

COMMENTS '76

VOL. 2, NO. 4

JULY-AUGUST, 1975

Campaign Law in Trouble...

Already under severe challenge in the federal courts, the 1974 campaign finance law now faces image problems.

The legal challenge was initiated last January by Independent presidential candidate Eugene J. McCarthy, Senator James L. Buckley (C-R, N.Y.) and others. There are now 13 plaintiffs; their attorneys have listed 34 causes of action against the campaign law. Defendants in the case have been embarrassed by the public reluctance of the Attorney General and the Solicitor General to defend the law. A final decision by the Supreme Court is expected by the end of the year.



Eugene McCarthy at Court for
Hearing on Campaign Law

McCarthy and Buckley continue to speak against the law in public forums. Their arguments are strengthened by evidence that "little-guy" candidates find it very difficult to raise money under the new law. (Julian Bond recently decided not to run for the presidency because he could not raise enough money.)

Many columnists and editors are also raising questions about the law. The St. Paul Dispatch (June 10, 1975) summed up the case by saying that the law "runs counter to rights grounded in traditional constitutional theory. Put most simply, these are the rights of an individual to express a political preference."

We're Moving !

By August 1st the McCarthy staff, volunteers, desks, typewriters, files, trusty mimeograph machine, and assorted paraphernalia will be settled in a new headquarters at 1440 N Street, NW, Washington, D.C. 20005 (same phone number: 202/737-4900). This is a new building, attractive and well-managed. True to our rule of fiscal conservatism, we have obtained more space than we had before--at a lower rent than we paid before. Inflation can be overcome.... Note to Washingtonians and to others who visit the nation's capital: Come by and see us! We're just off Scott Circle. Go to 15th and Massachusetts Avenue, NW; go north one block and then east one-half block. There you are.



"I, EUGENE JOSEPH MCCARTHY, DO
SOLEMNLY SWEAR THAT I WILL FAITHFULLY
EXECUTE THE OFFICE OF PRESIDENT OF THE
UNITED STATES, AND WILL TO THE BEST OF
MY ABILITY, PRESERVE, PROTECT AND DEFEND
THE CONSTITUTION OF THE UNITED STATES,
SO HELP ME GOD."

LIKE THE SOUND OF IT, THE RING OF IT? SO DO WE. HELP US
MAKE IT HAPPEN.

I ENCLOSE \$_____ TO HELP ELECT EUGENE MCCARTHY TO THE PRESIDENCY
OF THE UNITED STATES.

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

A copy of our report is filed with the Federal Election Commission
and is available for purchase from the Federal Election Commission,
Washington, D.C.

The New Republic July 19, 1975

On McCarthyisms

To the editors:

Your page on "McCarthyisms" (ENR, June 21) verified once more the most astute and lucid mind in contemporary politics.

McCarthy is not, as some suggest, a visionary ahead of his time. Rather he is one of the few political leaders in touch with our time. Others, caught in the quagmire of our two-party system, are simply behind the times.

After the conventions of 1976, when we are confronted with Ford vs. Wallace or Ford vs. Jackson, Eugene McCarthy will look very good. I, for one, look forward to that time.

Roger A. Cowan
Knoxville, Tennessee

crowd-counting

In a July 15th visit to Miami, Gene McCarthy was greeted at the airport by a crowd of 300. Many carried signs saying "Mac is Back" to welcome the candidate to Florida. We know of no other candidate who has drawn such numbers to an airport this early in the campaign. McCarthy also drew standing-room-only crowds to his other public appearances in Miami.

This continued a pattern noticed throughout the year. McCarthy has been drawing record or near-record crowds just about every place where he has spoken. We expect him to break all of the old records in '76.

From the men who brought you self-government

JOHN ADAMS: "There is nothing which I dread so much as a division of the republic into two great parties, each arranged under its leader, and concerting measures in opposition to each other. This, in my humble apprehension, is to be dreaded as the greatest political evil under our Constitution...."

--Letter of October 2, 1780 to Jonathan Jackson.

THOMAS JEFFERSON: "If, in my retirement to the humble station of a private citizen, I am accompanied with the esteem and approbation of my fellow citizens, trophies obtained by the blood-stained steel...will never be envied. The care of human life and happiness, and not their destruction, is the first and only legitimate object of good government."

--Message of March 31, 1809 to the Republican Citizens of Washington County, Maryland.

What's in a petition campaign?

To place Gene McCarthy's name on the ballot for the 1976 presidential campaign, local McCARTHY '76 groups will undertake petition campaigns in the 50 states and the District of Columbia. Some campaigns will start later this year, others in 1976.

Petition requirements for Independent candidates are set by state laws, and the laws vary greatly. McCarthy volunteers David and Connie Vogel of Iowa have studied all of the state election codes and summarized requirements for Independents. Their research indicates that North Dakota will be our easiest state; it requires only 300 signatures and has a final filing date of September 23, 1976. Other states in the easy category include Rhode Island (500 signatures); New Jersey (800 signatures); Kentucky (1,000 signatures); Iowa (1,000 signatures); and Minnesota (2,000 signatures).

At the other extreme is California, which demands over 300,000 signatures to be gathered in a short period of time. But the California law is under challenge in federal court, and the state legislature may liberalize the law in any case. Two other states, Georgia and North Carolina, require over 100,000 signatures. Yet some of the largest industrial states demand far less. Ohio requires only 5,000; Texas, about 17,000; New York, 20,000; Illinois, 25,000; and Pennsylvania, about 38,000. Of course, we must go well above the minimum state requirements, since a fair number of signatures are bound to be invalidated on technical grounds.

We will challenge the laws of states which either do not allow Independent presidential candidates on the ballot or else have special requirements that seem unconstitutional. Most likely to be challenged are: Arkansas, Florida, Idaho, Kansas, Michigan, Nebraska, New Mexico, North Carolina, and Utah. Attorneys in these states who would like to volunteer their talents for the lawsuits are asked to contact Ron Cocome at the McCARTHY '76 office.

MORE FREEBIES

Single copies of the following are available free from McCARTHY '76:

"Blessed Are the Peacemakers; They Shall Be Called the Children of God" -- McCarthy essay in the National Catholic Reporter, March 28, 1975.

"The \$84,000 Question" -- Advance proofs of McCarthy article making a strong case against the new federal campaign finance law; article will appear in the Center Report.

"Memorandum: Why an Independent Candidate for President?" -- Describes advantages of the Independent way.

SPECIAL OFFER

Here's your chance to buy a collector's item and to help the McCarthy campaign at the same time.

We have only several hundred copies left of Other Things and the Aardvark, a book of poetry by Eugene McCarthy (Doubleday, 1970). It includes a section on persons ("To Robert Lowell," "Gossip Columnist," "Bicycle Rider"); one on places ("Rapid City," "Willow in a Tamarack Swamp," "Rome"); one on time ("Early Spring," "The Day Time Began") and the title section ("Communion," "Three Bad Signs," "Ares," "The Maple Tree," "The Aardvark"). The volume contains 43 poems; it is handsomely printed and bound. An ideal birthday, Christmas, or Hanukkah present.

Each autographed copy is available for \$25. All proceeds go to McCARTHY '76.

Enclosed is a check for \$25 payable to McCARTHY '76. Please send a copy of Other Things and the Aardvark, autographed by Eugene McCarthy for

(please print clearly name of person who is to receive the book)

Your Name

Your Street Address

City, State, Zip Code

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.



McCARTHY '76
1440 N Street, N.W.
Washington, D.C. 20005

VINTAGE McCARTHY

"I SUPPOSE ONE OF OUR MORE SERIOUS MISTAKES WAS TO TAKE THE POST OFFICE OUT OF POLITICS. POLITICS DIDN'T HURT THE POST OFFICE VERY MUCH. THE SERVICE HAS BEEN WORSE SINCE...."

--SPEECH AT THE NATIONAL PRESS CLUB, WASHINGTON, D.C.,
JUNE 3, 1975

* * *

"IN 1968 THE EXPERTS SAID I WAS AHEAD OF MY TIME; NOW THEY SAY MY TIME IS PAST. THAT WAS QUICK."

--QUOTED IN PACIFIC SUN, MAY 8-14, 1975

* * *

"SCHLESINGER HAS SOMETHING HE NOW CALLS 'SYMMETRIES.'.... YOU HAVE TO BE VERY CAREFUL OF SYMMETRIES. I REMEMBER GERALD FORD'S TALKING ABOUT THE DANGER OF THE PARADOX. IT REALLY IS DANGEROUS, AND I THINK THAT THE SYMMETRY IS PROBABLY MORE DANGEROUS THAN THAT. SO WE HAVE TO BE ON THE ALERT AT EVERY FRONT."

--SPEECH AT THE NATIONAL PRESS CLUB, WASHINGTON, D.C.,
JUNE 3, 1975

COMMENTS '76

VOL. 2, NO. 5

SEPTEMBER-OCTOBER, 1975

Gene Visits California and Southwest

In a recent swing through California, Arizona, and New Mexico, Eugene McCarthy stressed economic issues and the failures of Democrats and Republicans.



Appearing in San Francisco, the independent presidential candidate said of his campaign: "We expect to be on the ballot in 50 states. There are enough people antagonistic to present-day politics, to the whole militaristic philosophy of high defense budgets and low priorities for other problems, that we might even win..." (San Francisco Chronicle, September 20, 1975)

In Los Angeles, Santa Fe, and Tucson, McCarthy repeated his call for a shorter work week as a way of spreading employment. He also criticized the automobile as "an economic monster."

See page 2 for more on Arizona trip.

McCarthy Schedule

Gene McCarthy will be appearing soon in the Midwest and New England. There will be speeches and media interviews--also some fundraisers. More events will be added...

Oct. 14 Austin, TX
Oct. 15 Beaumont, TX
Oct. 16 Chicago, IL
Oct. 17 Chicago, IL
Oct. 18 Chicago, IL
Oct. 19 New York, NY
Oct. 24 New York, NY
Oct. 25 Concord, NH
Oct. 26 Manchester, NH
Oct. 27 Durham, NH
Oct. 28 Putney, VT
Oct. 29 Waltham, MA

Oct. 30 Boston, MA &
Augusta, ME
Nov. 3 Miami, OH
Nov. 4 Mt. Vernon, IA
Nov. 5 IA
Nov. 6 IA
Nov. 7 East Lansing, MI
Nov. 8 East Lansing, MI
Nov. 12 Washington, DC
Nov. 23 New York, NY
Nov. 24 Wilmington, DE
Nov. 25 Princeton, NJ

Candidate calls car an economic monster

By BERNIE WYNN
Republic Political Writer

TEMPE — Former U. S. Sen. Eugene McCarthy said Wednesday the automobile "has become an economic monster" and blamed Congress for failing to prevent the situation.

In a question-and-answer session after his speech here to Arizona State University law students, the 1976 independent presidential contender said the proliferating automobile is posing a serious threat to the economy.

The motor car is "too big, too wasteful and too destructive," McCarthy said. And it is costing consumers from \$300 billion to \$400 billion each year, one-third of the gross national product.

The industry spends \$750 million a year "telling us what kind of car we ought to have," he added.

"The automobile has become an economic monster," he declared. "And the government stood by and let it happen."

Only recently has the government come to grips with the issue by setting

safety standards, demanding pollution controls and insisting on fuel economy in new models, he noted.

He said 80 per cent of the economy is controlled by corporations that the government and Congress have failed to regulate adequately.

McCarthy, here for a four-day tour to line up campaign support, was greeted with warm applause by an estimated 500 students gathered in the Great Hall.

Spicing his speech with dry wit and gentle satire, McCarthy told the students they are faced with several challenges in changing legal environment.

He charged that by failing to set guidelines in such areas as business, one man-one vote and civil rights, Congress and the presidency have forced the courts to make administrative decisions.

Often Congress will pass with good intentions some needed legislation but depend on the courts to work out its implementation, he said.

He said former President Lyndon

Johnson's Great Society outlawed crime, ignorance, poverty, mental retardation and "even ugliness."

But the laws provided inadequate funding or administrative procedures to implement new laws as local communities got ready to take action, McCarthy said.

He told the law students the issues of the 1976 presidential campaign won't be much different from the issues he raised in his unsuccessful bid for the Democratic presidential nomination in 1968.

They are:

—The challenge of substituting peaceful methods for the military approach to solving world problems.

—Overcentralization of power in the presidency.

—Failure of both the Democrats and Republicans to find solutions to the nation's worsening economic condition.

McCarthy will address the Maricopa County Democratic Nucleus Club at noon today in the Adams Hotel. He will address a similar partisan group in Tucson Friday.

THE ARIZONA DAILY STAR

TUCSON, SATURDAY, SEPTEMBER 27, 1975

McCarthy Urges 35-Hour Week

By BEN MACNITT
Star Political Writer

Independent presidential candidate Eugene J. McCarthy, speaking here yesterday, called for "a social decision to redistribute working time" by adopting a 35-hour work week.

McCarthy, who served two terms as a Democratic senator from Minnesota and provided a catalyst for the anti-war movement in 1968, spoke to some 80 persons at a Democratic Nucleus Club meeting.

He said the Democratic Party, born on "moving to the middle" and "consensus politics," will never adopt positions he believes the nation needs.

On the economic issue, he said, the major difference between the Democrats and Republicans is that the Democrats

offer a few more food stamps and a little more public housing. Both parties have institutionalized poverty and unemployment, he said, and that could be ended.

In the '30s and '40s when the 40-hour week was being fought for, critics argued that it would lower productivity and raise prices, he said. The shorter work week gave more people jobs then and shortening it to 35 hours now would have the same effect, he said.

In general, McCarthy said other positions the country should adopt are an end to Cold War militarism, reform to open the political process, and rejection of the "imperial presidency."

COMMENTS '76. Paid for by MCCARTHY '76, 1440 N Street, NW, Washington, D.C. 20005; phone--202/737-4900. Ronald Cocome (IL), Chairman; Barbara Barron (CA), Vice Chairwoman; Suzannah B. Hatt (NH), Secretary; Mary Monroe (FL), Treasurer. Credits: photos, pp. 1 & 4, Judith Barry Smith; sketch, p. 3, Ron Crawford.

AROUND THE COUNTRY

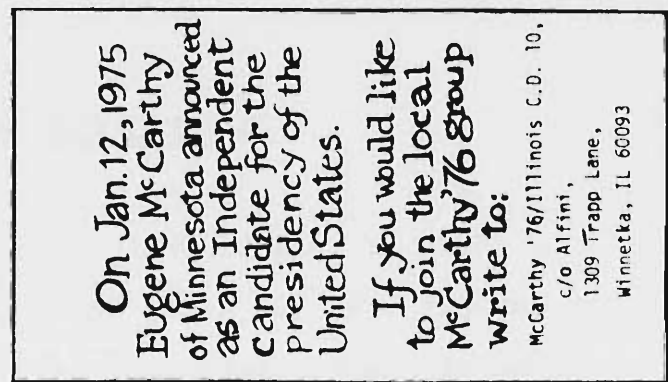
ARKANSAS: The state legislature has reduced the petition signature requirement for independents from 81,000 to 10,000!

CALIFORNIA: At a recent fundraising dance at the College of Marin, the local McCarthy group raised some \$1,100... For information on activities in Northern California, contact Richmond Young, c/o ASKOM-Housing Referrals, College of Marin, Kentfield, CA 94904; (O) 415/456-4072 or (H) 707/762-5789. In Southern California, contact Barbara Barron, 711 East Elmwood Drive, Burbank, CA 91501; (H) 213/845-0695.

ILLINOIS: Ron and Sydney Crawford of Evanston have designed a new campaign device, based on the traditional business card. A great way to spread the word---



Front



Back

IOWA: Words of wisdom from a recent mailing to McCarthy supporters in Iowa's 1st Congressional District: "...the only difference between a professional organizer and an amateur is that a professional has more contacts." And a postscript: "If you ever feel that McCarthy '76 is not making optimal use of your talents, don't be shy. Say so!" Contact Connie and David Vogel, 1724 Court Street, Iowa City, IA 52240; (H) 319/338-1361.

MICHIGAN & OHIO: Keith Burris is now working full-time on McCarthy organizing in Ohio and Michigan. Contact Keith at 718 East Main Street, #4, Ravenna, OH 44266; (H) 216/296-6559.

WISCONSIN: In a recent ad in the Madison Capital Times, McCarthy supporters called their effort "the Little Campaign with the Big Candidate." Contact: Andy Boehm, 1431 Morrison Street, Madison, WI 53703; (O) 608/257-0120 or (H) 608/255-3076.

* * * * *

Charlie Preston, full-time national organizer, will spend much time in Maryland, Pennsylvania, and New Jersey over the next few months. The three states have petition deadlines early in '76. Also working full-time is Linda Cordelia, who has studied ballot placement laws of all states. Linda will help with organizing.



1440 N Street, N.W.
Washington, D.C. 20005
MCCARTHY '76

VINTAGE McCARTHY

"AND IT IS TRUE THAT 20 YEARS AGO, BEFORE RALPH NADER, IF IN ANY ONE YEAR THE RIGHT WHEEL OF EVERY CHEVROLET FELL OFF, THERE WAS NO RECOURSE. THEY JUST SAID, 'THIS IS A BAD YEAR FOR CHEVROLETS. IT'S LIKE A BLIGHT ON THE APPLE CROP....'

"RATHER STRANGELY, IF WE GET INTO SOME SORT OF TROUBLE AND IT DOES NOT COME OUT THE WAY WE WANTED, WE PRETEND THAT THE COUNTRY ISN'T THERE FOR 20 OR 30 YEARS. AFTER 1946 OR 1948, WE PRETENDED THAT CHINA DID NOT EXIST. IT LEFT A RATHER LARGE BLANK SPACE ON THE MAP OF ASIA...."

--SPEECH TO THE NATIONAL STUDENT CONGRESS, WASHINGTON, D.C.,
AUGUST 21, 1975

ON INSTITUTIONALIZING POVERTY: McCARTHY DESCRIBED THE DEMOCRATIC PARTY'S ATTITUDE AS ONE OF SAYING, "WE ARE KINDER TO THE POOR. THEY ARE HAPPIER BEING POOR UNDER A DEMOCRATIC ADMINISTRATION."

--QUOTED IN ARIZONA REPUBLIC, SEPTEMBER 26, 1975

DOES \$10 HELP?

It certainly does! Just \$10 will send this newsletter to 100 potential McCarthy workers; or mail a news release to 100 reporters and columnists; or print 500 flyers. Please send \$5, \$10, \$25--or whatever you can--to McCARTHY '76, 1440 N STREET, NW, WASHINGTON, D.C. 20005.

A copy of our report is filed with, and available for purchase from, the Federal Election Commission, Washington, D.C.

New McCarthy Book

Eugene McCarthy's seventh book, The Hard Years: A Look at Contemporary America and American Institutions, will be published by The Viking Press in late October. Tom Wicker of the New York Times has written an introduction for the book.



The Hard Years deals with American institutions, why they work or do not work, and what should be done about them. There are chapters on the presidency, the Congress, the courts, the military, the CIA, the corporations, and the universities.

McCarthy also examines the operations of government and politics--with essays on "Language and Politics," "The Cult of the Expert," and many more.

The last section of the book is called "A Good Person Is Not So Hard to Find." It features tributes to ten Americans, some famous and some unknown, who have set high standards in their personal and professional lives.

Sorry!

Did we address your newsletter the wrong way? Misspell your name or use the wrong zip code? If so, please help us correct the mistake by sending us the following. Thank you...

I now receive COMMENTS '76 addressed this way:

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

It should be addressed this way:

NAME _____

STREET ADDRESS _____

CITY, STATE, ZIP CODE _____

____ My name is on your mailing list by mistake; please remove it.

Need a Perfect Gift ?

Perhaps you're thinking ahead to Christmas or Hanukkah, or perhaps you need a birthday or anniversary gift for someone special.

For just \$25, you can obtain an autographed copy of Eugene McCarthy's book of poetry, Other Things and the Aardvark. This is a collector's item--handsomely printed and bound. It contains 43 poems, ranging from "Kilroy" to "Quiet Waters"; from "The Clock" to "Equinox, March 1968"; from "10 Commandments" to "Dogs of Santiago."

All proceeds go to McCARTHY '76; so you can help the campaign while you give someone a present that will be long remembered. (Please allow three or four weeks for delivery.)

Enclosed is a check for \$25 payable to McCARTHY '76. Please send a copy of Other Things and the Aardvark, autographed by Eugene McCarthy for _____

(please print clearly name of person who is to receive the book)

Your Name

Your Street Address

City, State, Zip Code

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

New Freebies

Single copies of the following are available free from McCARTHY '76:

"Gene McCarthy: Off and Running" -- Favorable comments from Richard Goodwin, Tom McCall, and leading newspapers.

"Questions About Eugene McCarthy" -- An 11-page, documented paper answering such questions as: "Did he drop out?" "Why did he leave the Senate?" & so forth.

"The Quotable Gene McCarthy" -- Short quotes--driving home points with humor--on the CIA, the military, the experts, and other topics.

GENE McCARTHY THROWS HIS HAT IN THE RING

From the STATE JOURNAL, Madison, Wisconsin, January 13, 1975:

'CHILDREN' STILL LIKE McCARTHY

by James Napoli
Of The State Journal Staff

Eugene McCarthy, who led the so-called "Children's Crusade" to capture the Democratic presidential nomination in 1968, hasn't lost his audience.

About 1,200 mostly young people gave McCarthy a thunderous standing ovation Sunday night at the Capitol Theater just before he made the expected, formal announcement of his independent candidacy for the presidency in the 1976 election.

"I recognize the sound of Madison applause from 1968 and 1972," McCarthy said.

McCarthy accepted a request from the Committee for a Constitutional Presidency, established last August to serve as a base for a McCarthy presidential campaign, that he be its presidential candidate.

The announcement ends press speculation about his candidacy, and formally launches his campaign in the state where he won a 1968 primary race....

This time, he said, he decided to run as an independent because of the Democratic Party's "retreat from responsibility."

The party, he said, has begun to "hedge and compromise" on important national issues....

McCarthy said the main substantive issues facing the nation are the institutionalization of poverty and unemployment, and the failure of either party to deal adequately with the nation's resources....

McCarthy also said the nation is overprepared for nuclear, conventional, and guerrilla wars....

Interviewed at the fund-raising party, McCarthy countered charges that his positions are too theoretical by pointing out

-OVER-

that the Constitutional Convention...was also theoretical.

"What the Constitutional Convention was theorizing about was how to make the political system work. We are also theorizing about how the presidency, and the political system, should operate. Our basic approach is that both the Republican and Democratic Parties are undemocratic and unrepresentative. These things need attention paid to them, and that's why we're here."

Asked whether he really expected to win the presidency, McCarthy replied, "They won in 1776, didn't they?"

Monday, Jan. 13, 1975

MILWAUKEE SENTINEL

McCarthy Enters '76 Race as Independent

Special to The Sentinel

Madison, Wis. — Eugene McCarthy, former US senator from Minnesota, announced Sunday night that he would seek the presidency in 1976 as an independent candidate.

McCarthy, who sought the 1968 Democratic nomination for president, told about 600 persons here that the Democratic Party was "no longer an adequate instrument" for his candidacy because of its "compromises and retreats from responsibility."

McCarthy said Sunday he

accepted an invitation from the Committee for a Constitutional Presidency to seek the nation's highest office.

The crowd, almost all University of Wisconsin — Madison students, gave the candidate a standing ovation when he appeared on the stage at the Capitol City Theatre here.

The alternative of an independent candidacy is necessary, McCarthy said, because "we can be sure that what the major parties offer will not be adequate to meet the problems."

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Ronald Cocome, Chairman
Mary Monroe, Treasurer

THE WASHINGTON POST Tuesday, Jan. 14, 1975

McCarthy Launches Bid For President in 1976

By Joel D. Weisman

Special to The Washington Post

CHICAGO, Jan. 13—Former Sen. Eugene J. McCarthy (D-Minn.) today launched his third campaign for the presidency with an attack on U.S. foreign policy in general and Secretary of State Henry A. Kissinger in particular.

McCarthy, who formally announced his candidacy as an independent candidate in Madison, Wis., Sunday night, called Kissinger's "foreign policy triumphs vastly overrated" in remarks to reporters before his first campaign appearance, at the Chicago Council on Foreign Relations.

He added that Kissinger's peacemaking travels "have created a sense of false optimism," which the electorate was willing to embrace "because it is starved for even the appearance of decisiveness at any governmental level."

McCarthy attacked Kissinger's role in designing the military settlement of the Vietnam war, now in danger of becoming unraveled. "We should not be surprised at what is happening there now," McCarthy said, referring to the current fighting. "We should have insisted on restructuring things politically, as well as militarily," he asserted, and before we give them (the South Vietnamese) any more money, we ought to get guarantees of political and governmental changes."

McCarthy, who waged his

first campaign in 1968 on the war issue, charged that the Saigon government "still is not representative of the people and does not reflect political realities of Southeast Asia."

McCarthy attacked what he called Kissinger's "unrealistic Middle East" diplomacy, charging that his activities "have given the world the false impression that only the United States has an interest in guaranteeing peace in the Middle East." Our policies should include joint initiatives for peace with Britain, France, and even the Soviet Union, he said.

The former Democrat also assailed Kissinger for saying he wouldn't rule out force in the Middle East under certain circumstances.

McCarthy commented: "Kissinger was asked a hypothetical question and he gave an answer—which was hypothetical. It was an academic, not a diplomatic thing to do. The only trouble is, he is no longer a professor. A Secretary of State shouldn't answer hypothetical questions."

McCarthy will not campaign in any primaries but will seek to put his name on the general election ballot as an independent in all 50 states, where he plans to run electors.

He is supported by the Committee for a Constitutional Presidency.



THE INDEPENDENT WAY

On January 12, 1975 Eugene McCarthy of Minnesota announced as an Independent candidate for the presidency of the United States.

A GOOD PRECEDENT

The Independent route to the presidency requires some explanation. This is true even though the citizens who wrote our Constitution intended the presidency to be free of parties and factions. George Washington, our first President, was an Independent. In his Farewell Address, he warned "in the most solemn manner against the baneful effects of the Spirit of Party..."

But Washington's warning was soon forgotten. Political parties gained control of the nominating process through caucuses, conventions, and primaries.

VOTERS ARE READY

The failures of today's political parties have alienated large numbers of American voters. A 1974 survey commissioned by the Republican National Committee showed that 40% of adult Americans consider themselves to be Independents.

Many voters who still identify as Republicans or Democrats are unhappy with their parties. Many are ticket-splitters who are ready for another choice on the presidential level. A Phillips-Sindlinger poll of September, 1974 indicated that 55% of the American people want more than two choices in the 1976 presidential election.

HOW TO DO IT

Placing an Independent national ticket on the ballot requires no party structure. Nor does it involve candidates for offices other than President and Vice President.

Our vice presidential candidate will be selected by the spring of 1976. We will qualify our ticket for the ballot by meeting requirements of the individual states in the spring and summer of '76.

Most states require the filing of a certain number of signatures on petitions; the number varies from 25 in Tennessee to 100,000 or more in a few states. Voters who sign our

-OVER-

petitions will actually nominate our candidates. This is a more direct form of voter participation than the party method of electing convention delegates.

After the petitions are filed, all we have to do is win the general election.

THE IMPORTANCE OF BEING INDEPENDENT

The Independent route to the White House has three great advantages over the party method of selecting candidates:

--It avoids the grueling primaries, caucuses, and conventions. Political analyst David Broder wrote in the Washington Post of October 20, 1974: "No sane person can survive, with his reason intact and his personality unwarped, the hideous, ludicrous endurance course that now passes for a presidential selection process." Our ticket will not have that problem.

--It assures voters of a genuine alternative in the 1976 election. Too often the major parties offer bland candidates who are close on the issues, or offer such extreme choices that voters do not want either one. We offer a third choice.

--It is more in keeping with the intent of the founding fathers, who wanted a nonpartisan President. It offers voters a chance to make the President what the founding fathers had in mind: a servant of the people and of the Constitution.

OUR PRESIDENTIAL CANDIDATE

Eugene McCarthy served for ten years in the U.S. House of Representatives and for twelve years in the United States Senate. He has broad knowledge and experience in economics and foreign policy, the two most critical subjects a President must deal with. He has a record of understanding problems before they become crises and of proposing good solutions before crises go beyond human control.

As President he will meet the hope that John Adams once expressed in the White House:

I pray heaven to bestow the best of blessings
on this house and all that shall hereafter
inhabit it. May none but honest and wise men
ever rule under this roof.

MC CARTHY '76

EUGENE McCARTHY OF MINNESOTA,
INDEPENDENT CANDIDATE FOR THE PRESIDENCY
OF THE UNITED STATES, IS SUPPORTED BY
CITIZENS ALL AROUND THE COUNTRY WHO ARE
TIRED OF TWO-PARTY FAILURES AND WHO WANT
A POSITIVE ALTERNATIVE IN '76.



GENE McCARTHY SERVED FOR TEN YEARS
IN THE HOUSE OF REPRESENTATIVES AND FOR
TWELVE YEARS IN THE U.S. SENATE. HE HAS BROAD EXPERIENCE IN ECONOMICS
AND FOREIGN POLICY, THE TWO MOST CRITICAL SUBJECTS A PRESIDENT MUST
DEAL WITH. LONG BEFORE IT WAS POPULAR TO DO SO, HE OPPOSED THE WAR IN
VIETNAM AND ABUSES OF POWER BY THE WHITE HOUSE, THE FBI, AND THE CIA.

McCARTHY HAS SPECIFIC PROPOSALS FOR JOB CREATION AND FOR FIGHTING
INFLATION. HE HAS LONG FAVORED REDUCTION OF MILITARY SPENDING. HE HAS
A DEEP COMMITMENT TO THE BILL OF RIGHTS AND THE OTHER CONSTITUTIONAL
GUARANTEES OF OUR POLITICAL LIBERTY.

WE ARE WORKING TO PLACE EUGENE McCARTHY'S NAME ON THE BALLOT IN
ALL FIFTY STATES AND THE DISTRICT OF COLUMBIA.

JOIN US!

I WANT TO VOLUNTEER FOR GENE McCARTHY'S CAMPAIGN.

NAME

ADDRESS

TELEPHONE

(PLEASE RETURN TO McCARTHY '76, 1223 CONNECTICUT AVE., NW, WASHINGTON,
D.C. 20036. PAID FOR BY McCARTHY '76, MARY MONROE, TREASURER.)

*The
White House*



*Belongs
to
You...*



"I, Eugene Joseph McCarthy,
do solemnly swear that I will
faithfully execute the office of
President of the United States,
and will to the best of my ability,
preserve, protect and defend the
Constitution of the United States,
so help me God."

Like the sound of it? So do we. Help us
make it happen.

_____ I want to volunteer for the McCarthy
campaign. Please let me know what I
can do.

I enclose \$ _____ to help elect Eugene
McCarthy to the presidency of the United
States.

NAME

STREET ADDRESS

CITY, STATE, ZIP CODE

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Photo Credits—Panels 2, 3 & 4 Sheldon Ramsdell

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Mary Monroe, Treasurer

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and is available for purchase from the Federal Election Commis-
sion, Washington, D.C.

Overconsumption By U.S. Fuel Culprit: McCarthy

By THE ASSOCIATED PRESS

Presidential candidate Eugene McCarthy told an anti-surface mining rally Sunday the United States is "not really suffering from an energy crisis."

"We are the greatest over-consumers of fuel in the history of the world," he told 250 persons at the capitol-steps rally that followed a two-mile march from the Charleston Civic Center

ers had signs that said, "Save the Land for the People," "Think about our Future."

Large contingents marched from Sugar Hill in Marion County and Richmond in Raleigh County, two areas where local residents have been fighting surface mining operations.

Chester Workman of the

Richmond section of Raleigh County told the rally, "The stripping devastation of the land of Raleigh County and the state of West Virginia don't involve no one but the money people. They sit behind their desks and make money and don't do nothing for the people of West Virginia."

State Sen. Si Galperin, D-

Kanawha, a supporter of anti-surface mine legislation, said West Virginia's strip-mined coal is only 3.5 per cent of the nation's production. He cited an Appalachian Regional Commission report that said a stripping abolition would stimulate deep mining and result in an economic boom.

CHICAGO DAILY NEWS, Monday, March 3, 1975

Gene asks 35-hr. week to add jobs

By Charlotte Hunt

Ex-Sen. Eugene McCarthy said Monday the nation should solve its growing unemployment problem by cutting the work week from 40 to 35 hours in major industries to spread existing jobs among more people.

Under the proposal, unveiled by McCarthy at a press conference here, employees working the 35-hour week would continue to get approximately the same salaries.

The formerly unemployed and laid-off workers who got the new jobs also would receive approximately their former salaries.

MCCARTHY proposed that the extra cost to employers of hiring more workers could be written off as tax deductions, "so that neither the worker nor the employer" would be totally financing this "re-employment program" aimed at breaking what he called America's "economic doldrums."

The former Minnesota senator and 1968 presidential aspirant, who announced in January that he would seek the presidency in 1976 as an independent, said that putting 23 million workers on the shorter week would furnish some 3 million jobs.

McCarthy, who was in town over the weekend to raise funds for his presidential campaign, said such a "redistribution of work" program should receive top priority attention in Washington, as "a necessary and essential move toward economic stability."

Albany, Oregon
Democrat-Herald

JAN 13 1975



EUGENE J. MCCARTHY
Says Democrats hedging

UPI Telephoto

Consumption must be cut back and the nation's assets of agriculture, water, coal and iron emphasized, the 1968 candidate for the Democratic presidential nomination said.

"If we can put these together in a reasonable, moral order," he said, the United States can take care of its own needs and be a force in the world.

That "proper order" should place people as the most important, followed by land and resources and finally by capital and profit, the former Minnesota senator said.

But today's priorities "are the direct reverse of that," he said. "The time has come for us to look at what America stands for."

McCarthy said that in his campaign for the 1976 presidency, he could focus on issues related to what he called the most neglected part of the Declaration of Independence, the provision for "pursuit of happiness."

That provision has the "object of giving the people of this country a better life," he said.

Part of Minnesota has been a "colony of the U.S. Steel Co." because of iron mines, he said, and the state government allowed that firm to avoid taxes and pollute Lake Superior because of "economic pressure."

Those corporations that want surface mining are using similar economic pressure on West Virginia to insist that the coal obtained through stripping is needed in the energy crisis, he explained.

Marchers carried to the capitol a coffin designated for Bolt Mountain, a heavily strip-mined area in Raleigh and Wyoming counties. Oth-

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1223 Connecticut Avenue, NW
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Mary Monroe, Treasurer

Politics and People

By ALAN L. OTTEN

McCarthy

WASHINGTON—Eugene McCarthy has announced he'll run for President in 1976, and many people are sure to be saying, "Oh, no, not again."

Yet Mr. McCarthy remains a frequently perceptive and witty commentator on public institutions and prominent people, and it's probably a good thing that he's keeping himself in circulation.

The former Senator from Minnesota will run as an independent, the nominee of a small, recently formed group calling itself the Committee for a Constitutional Presidency. He insists he's in the race not merely to educate the electorate or to have a platform for his speeches and ironic observations, but actually to win.

"Just educating people is worthwhile, of course," he says, "but I really think there's a good possibility we might succeed. One-third to one-half the people already say they're unhappy with the two parties, and they're going to be a lot more unhappy with them in the next two years. We'll raise some issues that I think people will respond to."

The 58-year-old Mr. McCarthy—his hair far whiter, his face more lined, his tall frame heavier than when he rallied college students, suburban housewives and many others to his anti-war banner in 1968—will be talking about a number of things in the coming months: the continuing danger from the "Imperial Presidency," the scarcity of new ideas in the two existing parties, the need to cut military spending, the unfairness of the new campaign financing law, whose constitutionality he and GOP Sen. James Buckley are challenging in the courts.

And while he frequently seems weary with it all, he still manages to unloose a few neat rhetorical shafts.

The Democrats: "When a party is consistently so wrong on important issues, so timid and late on others, and has twice lost presidential elections to Richard Nixon, one must ask whether it serves much purpose any longer."

President Ford: "Don't think Ford doesn't have the same ideas about using presidential power that Nixon had—he just doesn't have the same freedom to use it right now. The pardon of Nixon was a pretty Imperial act."

Autos: "The automotive industry spends about \$750 million a year trying to make us unhappy about our cars. It used to be that we only had to decide between

five or six different cars and three or four different models. Now we have to worry about whether we have the right kind of Chevrolet. There are six or seven Chevrolets. You can live your entire life in a Chevrolet and never be happy because you may not think you have the right size or the right model Chevrolet."

The press: Reporters remind him of when his son Michael was four, and scrawled all over a piece of paper and then asked his father to read it. Mr. McCarthy told Michael, "You read it, you wrote it"; Michael answered that while he could write, he hadn't yet learned to read.

The Senate: He occasionally misses the Senate. Bills like those designating the final resting place for Smokey the Bear or barring TV blackouts of football games "are the kind of responsive, significant legislation you'd like to be there for."

Mr. McCarthy has been teaching, writing and speaking widely since quitting the Senate in 1970. In 1972, he fared dismally in a brief run at the presidency in the Democratic primaries, and never followed through on earlier warnings of an independent candidacy then.

"After the party reforms and the nomination of McGovern," he maintains, "you couldn't do the third party thing with any real justification." But now, he says, "I don't see any possibility at all of the Democrats coming up in 1976 with a program that has any real significance."

Mr. McCarthy makes clear that his group isn't a political party. It won't hold a nominating convention, won't back candidates for other offices. Instead, it will put his name and his running mate's on the ballot by petition in each state.

Always a complicated, enigmatic man, he's well aware of the charges frequently leveled against him, and answers them to practically no one's satisfaction but his own. Didn't he let his 1968 troops down with his later lack of fight? "I just ask 'When?'" he says. "When did I let them down? And they don't know." Surely, he implies, people expected something he'd never promised to give.

Isn't he becoming another Harold Stassen? "Good God," he explodes, "how many times has Humphrey run for President, and he's still running. Jackson tried for the vice presidency back in 1960." And, he adds, Edmund Muskie, George McGovern, Birch Bayh and a few more are hardly newcomers at the presidential game. "If you're going to use that Stassen thing," he says, "you're going to have to apply it to a very large number of people."

Obviously, he does wish people were more aware of how right he was on many major issues besides the Vietnam war—how he warned long ago against a too-powerful presidency, how he urged closer supervision of the CIA back in 1954, that he was one of the earliest critics of Pentagon spending and gas-guzzling cars. But as for running just to salve a bruised ego, "I would rather have had these problems solved," he insists, "than be standing around saying I-told-you-so."

Right now, it's easier to learn what Mr. McCarthy is against in most areas than what he's for; even his economic program, which is one he's laid out in some detail, has some murky parts. He calls for wage-price controls, selective credit controls, selective excise taxes, a cut in the defense budget, and curbs on big, powerful cars. But he also talks of a shorter work year to spread existing work around and absorb the unemployed and reduce poverty.

Wouldn't that cost a lot of money? Not as much as inflation does, he replies. "It's an absorbable cost." That's not completely clear, he's told.

"It's going to take a year and a half for all this to become clear," he grandly declares. "It's like progressive revelation. You can't expect to get it all at once."

THE NEW YORK TIMES

THURSDAY, FEBRUARY 27, 1975

McCarthy Urges Updating Of Nation's Bill of Rights

MOBILE, Ala., Feb. 25 (UPI)

— Former Senator Eugene J. McCarthy called Tuesday for definition of the Bill of Rights "as a fitting celebration of the 200th anniversary of our independence."

Mr. McCarthy, an independent Presidential candidate, said in a speech prepared for delivery at Spring Hill College that "the complexity of life today calls for redefining the liberties guarantee of Rights."

Freedom of speech now must deal with "government censorship and with concentrated control of newspapers and broadcast media," he said.

Freedom of assembly, he continued, must deal with demonstrations, the right to belong to protest groups, harassment by the Federal Bureau of Investigation and spying by the Army and Central Intelligence Agency.



THE INDEPENDENT WAY

On January 12, 1975 Eugene McCarthy of Minnesota announced as an Independent candidate for the presidency of the United States.

A GOOD PRECEDENT

The Independent route to the presidency requires some explanation. This is true even though the citizens who wrote our Constitution intended the presidency to be free of parties and factions. George Washington, our first President, was an Independent. In his Farewell Address, he warned "in the most solemn manner against the baneful effects of the Spirit of Party..."

But Washington's warning was soon forgotten. Political parties gained control of the nominating process through caucuses, conventions, and primaries.

VOTERS ARE READY

The failures of today's political parties have alienated large numbers of American voters. A 1974 survey commissioned by the Republican National Committee showed that 40% of adult Americans consider themselves to be Independents.

Many voters who still identify as Republicans or Democrats are unhappy with their parties. Many are ticket-splitters who are ready for another choice on the presidential level. A Phillips-Sindlinger poll of September, 1974 indicated that 55% of the American people want more than two choices in the 1976 presidential election.

HOW TO DO IT

Placing an Independent national ticket on the ballot requires no party structure. Nor does it involve candidates for offices other than President and Vice President.

We will qualify our ticket for the ballot by meeting requirements of the individual states from late 1975 through the summer of '76. Most states require the filing of a certain number of signatures on petitions; the number varies from 300 in North Dakota to 100,000 or more in a few states. Voters who sign our petitions will actually nominate our candidates. This is a more direct form of voter participation than the party method of electing convention delegates.

-OVER-

After the petitions are filed, all we have to do is win the general election.

THE IMPORTANCE OF BEING INDEPENDENT

The Independent route to the White House has great advantages over the party method of selecting candidates:

--It assures voters of a genuine alternative in the 1976 election. Too often the major parties offer bland candidates who are close on the issues, or offer such extreme choices that voters do not want either one. We offer a third choice.

--It is more in keeping with the intent of the founding fathers, who wanted a nonpartisan President. It offers voters a chance to make the President what the founding fathers had in mind: a servant of the people and of the Constitution.

--It will provide a President who is free to choose all Cabinet officers and administrators on the basis of skill and experience. An Independent President can select the best persons for all jobs--including the best Republicans and the best Democrats.

OUR PRESIDENTIAL CANDIDATE

Eugene McCarthy served for ten years in the U.S. House of Representatives and for twelve years in the United States Senate. He has broad knowledge and experience in economics and foreign policy, the two most critical subjects a President must deal with.

When others hesitate or try to evade a hard issue, Gene McCarthy steps forward and takes a stand. He recognizes problems before they become crises and proposes good solutions before the problems go beyond control.

As President he will meet the hope that John Adams once expressed in the White House:

I pray heaven to bestow the best of blessings
on this house and all that shall hereafter
inhabit it. May none but honest and wise men
ever rule under this roof.

The Quotable *Gene McCarthy*

CAMPAIGN FINANCE LAW: "HE SAID THE NEW LAW MAY CLEAN UP POLITICS AT THE EXPENSE OF SLAPPING CONTROLS ON IT. 'THE RUSSIANS HAVE A VERY CLEAN POLITICAL SYSTEM, BUT IT'S NOT VERY OPEN,' HE ADDED."
--QUOTED IN SPOKANE SPOKESMAN REVIEW, APRIL 30, 1975

CAMPAIGNING: "I'M BEGINNING TO FEEL LIKE A RENTAL CAR. SOMEONE PICKS ME UP AT THE AIRPORT, DRIVES ME AROUND AND TRIES TO SEE HOW MUCH MILEAGE HE CAN GET OUT OF ME IN A LIMITED TIME PERIOD." --QUOTED IN COLLEGE OF MARIN TIMES, MAY 7, 1975



CENTRAL INTELLIGENCE AGENCY: "I HAVE OBSERVED THAT WHEN WE DISBANDED THE CANINE CORPS, WE RECONDITIONED THE DOGS AND SAID, 'LOOK, YOU KNOW, YOU CAN'T ACT THE SAME WAY HERE AS YOU DID IN THE FORMER ORGANIZATION.' SOMETHING LIKE THAT PROBABLY OUGHT TO BE DONE WITH CIA MEMBERS WHEN THEY LEAVE THE COMPANY. JUST SORT OF TAKE THEM ASIDE AND SAY, 'FELLAS, THIS IS A DIFFERENT WORLD OVER HERE, AND WE HAVE TO EXPECT YOU TO RESPOND SOMEWHAT DIFFERENTLY.'" --SPEECH IN WASHINGTON, D.C., JUNE 3, 1975

CORPORATIONS: "BY LAW WE HAVE GIVEN THE CORPORATIONS LIMITED LEGAL AND MORAL RESPONSIBILITY. WHEN WE NOW COMPLAIN THAT THEY DO NOT ACT WITH SENSIBILITY--DO NOT BEHAVE LIKE REAL PERSONS--THEY ARE JUSTIFIED IN REPLYING THAT SOCIETY DID NOT MAKE THEM REAL PERSONS. IT IS ALMOST AS THOUGH FRANKENSTEIN SAID TO HIS MONSTER, 'WHY DON'T YOU ACT LIKE A MAN?' AND THE MONSTER REPLIED,

'I AM WHAT YOU MADE ME.'" --REMARKS PREPARED FOR SPEECH IN
WASHINGTON, D.C., MARCH 12, 1975

DEMOCRATIC PARTY'S PRESIDENTIAL NOMINATION PROCESS: "WHAT THE
DEMOCRATS NOW SEEM TO BE TALKING ABOUT IS A QUOTA SYSTEM. AND
IF YOU CARRY THAT TO THE ULTIMATE, YOU REALLY OUGHT TO RUN ALL
DEMOCRATS THROUGH SOME KIND OF SELECTIVE PROCESS--A SORT OF COM-
PUTER SYSTEM--AND JUST TAKE OUT THOSE WHO ARE THROWN OUT BY THE
MACHINE AND SAY, 'GO TO THE CONVENTION.' YOU MIGHT RUN IT ONCE
MORE AND TAKE THE LAST PERSON AS THE CANDIDATE." --SPEECH IN
CHICAGO, ILLINOIS, AUGUST 25, 1974

EXPERTS: "IN 1968 THE EXPERTS SAID I WAS AHEAD OF MY TIME; NOW
THEY SAY MY TIME IS PAST. THAT WAS QUICK." --QUOTED IN PACIFIC
SUN, MAY 8-14, 1975

MILITARY COMPETITION: "I READ THE OTHER DAY THAT WE ARE BEGINNING
TO BUILD UP THE CAVALRY AGAIN. IT'S ENCOURAGING. THE RUSSIANS
HAVE MORE HORSES THAN WE HAVE." --TESTIMONY BEFORE THE SENATE
FOREIGN RELATIONS COMMITTEE, SEPTEMBER 10, 1974

REFERRING TO PAUL REVERE'S RIDE: "HENRY JACKSON PROBABLY
WOULD HAVE SAID, 'ONE IF BY LAND, TWO IF BY SEA, AND ONE AND TWO
IS THREE. THEY'RE ALSO COMING BY AIR, AND WE'D BETTER BE READY
FOR THEM.'" --QUOTED IN WASHINGTON POST, APRIL 28, 1975

NUCLEAR BOMBS: "WE HAVE AGREED NOT TO EXPLODE BOMBS IN OUTER
SPACE, ON THE OCEAN FLOOR AND IN ANTARCTICA. I'D LIKE TO SEE US
AGREE NOT TO EXPLODE BOMBS WHERE PEOPLE LIVE." --QUOTED IN
HUNTINGTON, WEST VIRGINIA HERALD-DISPATCH, FEBRUARY 25, 1975

OUTLOOK FOR THE DEMOCRATS: McCARTHY SUGGESTED THAT THE DEMOCRATIC PARTY IN 1976 EITHER WILL BE DEEPLY SPLIT OR "WILL LOOK FOR A COMPROMISE PLATFORM AND A COMPROMISE CANDIDATE. AND IF THEY BEGIN TO MOVE BACK TO THAT, I WOULD EXPECT THEY'D PROBABLY STOP AT ABOUT THE 1948 PLATFORM. AND WHEN THEY GOT THERE, THEY WOULD FIND SENATOR HUMPHREY READY AND WAITING TO GO." --INTERVIEW ON STATION WCAL, NORTHFIELD, MINNESOTA, APRIL 24, 1975

POSTAL SERVICE: "I SUPPOSE ONE OF OUR MORE SERIOUS MISTAKES WAS TO TAKE THE POST OFFICE OUT OF POLITICS. POLITICS DIDN'T HURT THE POST OFFICE VERY MUCH. THE SERVICE HAS BEEN WORSE SINCE...." --SPEECH IN WASHINGTON, D.C., JUNE 3, 1975

PRESIDENT GERALD FORD: "PRESIDENT FORD HAS NOT SHOWN ANY DISPOSITION TO CHANGE THE TREND TOWARD PERSONALIZATION. WHEN ASKED LAST FALL WHETHER THERE WOULD BE A CODE OF ETHICS FOR HIS ADMINISTRATION, HE REPLIED THAT HIS EXAMPLE WOULD BE THE GUIDE. I MIGHT NOTE THAT EVEN MOSES, WHEN HE CAME DOWN FROM THE MOUNTAIN, HAD SPECIFIC RECOMMENDATIONS--CARRYING AN ENDORSEMENT OTHER THAN HIS OWN." --REMARKS PREPARED FOR SPEECH IN WASHINGTON, D.C., JUNE 3, 1975

PRESIDENTIAL POWER: "I'D LIKE TO HEAR A PRESIDENT GIVE AN INAUGURAL ADDRESS WITHOUT DECLARING WAR ON THE WORLD." --QUOTED IN UNIVERSITY OF WASHINGTON DAILY, APRIL 30, 1975

"THE ABUSE OF PRESIDENTIAL POWER HAS BEEN CARRIED ON LIKE PAPAL SUCCESSION. YOU JUST HAD TO ESTABLISH THAT YOU WERE NEXT IN LINE." --QUOTED IN COLLEGE OF MARIN TIMES, MAY 7, 1975



QUALITY OF NATIONAL LEADERSHIP: "WHEN YOU CONSIDER THAT FROM 1789

TO 1972 ROUGHLY, WE WENT FROM WASHINGTON TO NIXON, FROM JOHN ADAMS TO SPIRO AGNEW, FROM ALEXANDER HAMILTON TO JOHN CONNALLY...YOU HAVE TO BEGIN TO ASK SOME QUESTIONS ABOUT WHAT HAS HAPPENED ALONG THE WAY..." --SPEECH IN CHICAGO, ILLINOIS, AUGUST 25, 1974

SECRETARY OF DEFENSE JAMES SCHLESINGER: "SCHLESINGER HAS SOMETHING HE NOW CALLS 'SYMMETRIES.'YOU HAVE TO BE VERY CAREFUL OF SYMMETRIES. I REMEMBER GERALD FORD'S TALKING ABOUT THE DANGER OF THE PARADOX. IT REALLY IS DANGEROUS, AND I THINK THAT THE SYMMETRY IS PROBABLY MORE DANGEROUS THAN THAT. SO WE HAVE TO BE ON THE ALERT AT EVERY FRONT." --SPEECH IN WASHINGTON, D.C., JUNE 3, 1975

SENATOR HENRY JACKSON'S CAMPAIGN: "JACKSON IS A LITTLE LIKE THE OLD TIN LIZZY THAT GETS HALFWAY UP THE HILL, SLIPS A CLUTCH AND STARTS SMOKING AND SPINNING ITS WHEELS, AND THE HARDER IT TRIES THE SLOWER IT GOES." --QUOTED IN CHICAGO TRIBUNE, MAY 30, 1975

WHITE HOUSE: "ONE OF MY FIRST ACTS WOULD BE TO TAKE OUT THE WHITE HOUSE ROSE GARDEN. I'D REPLACE IT WITH HUMBLE VEGETABLES LIKE CABBAGE AND SQUASH.

"PRESIDENTS HAVE USED THE ROSE GARDEN AS A PLACE TO DISGUISE IRRESPONSIBLE POLICIES. YOU'D HAVE TROUBLE ANNOUNCING WAR IN A CABBAGE PATCH." --QUOTED IN SEATTLE POST-INTELLIGENCER, APRIL 29, 1975

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Look Out, America, McCarthy Is Back

"SEN. EUGENE MCCARTHY IS PREPARING AN INDEPENDENT CANDIDACY TO SUBMIT TO THE AMERICAN PEOPLE. HE WILL FIND A LOT OF ENTHUSIASTIC SUPPORT IN THIS STATE AND ACROSS THE COUNTRY IF THE TWO ESTABLISHED PARTIES CONTINUE THEIR POLICIES OF SHUTTING THE PEOPLE OUT AND LIMITING THE VOTE TO THOSE WHO CHOOSE TO WEAR A LABEL...."
--MILES McMILLIN, MADISON CAPITAL TIMES, JANUARY 17, 1975

"FORMER SENATOR MCCARTHY IS ONCE AGAIN PREACHING UNCONVENTIONAL WISDOM.... IN A SOCIETY DEEPLY ADDICTED TO THE AUTOMOBILE, MR. MCCARTHY ARGUES THAT DEPENDENCE OF THE AUTOMOBILE IS UNDERMINING OUR ECONOMY. REVENUE SHARING, CAMPAIGN EXPENDITURE REFORM, AND THE TWO-PARTY SYSTEM ARE OTHER OBJECTS OF HIS CRITICAL ANALYSIS AS HE BEGINS HIS CAMPAIGN FOR THE PRESIDENCY AS AN INDEPENDENT...."
--NEW YORK TIMES EDITORIAL,
JANUARY 21, 1975

"IN CONTRAST WITH ALL THIS MEANINGLESS, AMORPHOUS, DEMOCRATIC-REPUBLICAN, ALL-THINGS-TO-EVERYBODY, ADVERTISING AGENCY KIND OF CENTRIST POLITICS, GENE MCCARTHY STANDS OUT LIKE SITTING BULL AT A U.S. CAVALRY REUNION...." --MICHAEL KILIAN,
CHICAGO TRIBUNE, MARCH 11, 1975



"LONG BEFORE ARTHUR SCHLESINGER DISCOVERED THE 'IMPERIAL PRESIDENCY,' AND LONG BEFORE RICHARD NIXON SANK IN THE SWAMPS OF WATERGATE, MCCARTHY WAS WARNING AGAINST THE EXCESSES OF PRESIDENTIAL POWER. MCCARTHY IS A PRACTICING LIBERAL, AND FOR MANY YEARS HIS POSITION WAS NOT A POPULAR LIBERAL POSITION. IT HAPPENED MERELY TO BE SOUND...." --JAMES J. KILPATRICK, WASHINGTON STAR-NEWS, SEPTEMBER 4, 1974

"IN FACT I THINK MCCARTHY HAS DETECTED, AS HE DID LATE IN 1967, SOMETHING ABOUT THE MOOD OF MANY AMERICANS THAT COULD MAKE HIM A SIGNIFICANT FACTOR IN THE POLITICS OF 1976--PERHAPS FAR MORE INFLUENTIAL THAN MANY OF THOSE NOW BECOMING INVOLVED IN THE DEMOCRATIC SCRAMBLE...." --JAMES A. WECHSLER, NEW YORK POST, JANUARY 22, 1975

"HERE HE COMES AGAIN, FOR BETTER OR FOR VERSE...THAT THOUGHTFUL WIT WHO UNHORSED LYNDON B. JOHNSON IN 1968.... NATURALLY, MCCARTHY SCORNS THE REPUBLICAN AND DEMOCRATIC APPROACHES TO THE ECONOMIC AILMENT. HIS OWN NOSTRUMS, HOWEVER, ARE NOT THOSE OF A DILETTANTE AND MIGHT EVEN BE CONSIDERED CONSERVATIVE...." --NICK THIMMESCH, SEATTLE TIMES, JANUARY 29, 1975

"BUT IF INFLATION RAGES UNCHECKED, AND PERHAPS A DEMOCRATIC CONGRESS EARNS A SHARE OF THE BLAME, THE PEOPLE MIGHT JUST TURN A COLLECTIVE BACK ON BOTH PARTIES AND ELECT THAT NEWLY BLOSSOMED NON-PARTY CANDIDATE, EUGENE (CLEAN GENE) MCCARTHY...." --JERRY GREENE, NEW YORK DAILY NEWS, SEPTEMBER 24, 1974

Gene McCarthy: Off and Running

"FIFTEEN YEARS AGO, BEFORE IT BECAME FASHIONABLE, MCCARTHY WAS A RARE SPOKESMAN FOR CHANGING THE PACE OF AMERICA; HE TALKED THEN ABOUT THE NEED TO REDUCE FUEL CONSUMPTION AND THE USE OF FEDERAL POWER TO REQUIRE SMALLER CARS. HE ADVOCATED FEDERAL SUPPORT FOR MASS TRANSIT WHEN ALMOST EVERYBODY ELSE WANTED MORE MULTILANE HIGHWAYS.... MANY THINGS MCCARTHY SAID BACK THEN WHEN AMERICA LIVED ON A GO-NOW-PAY-LATER PHILOSOPHY HAVE NOW COME TO PASS. AND HE BELIEVES THE NATION IS READY TO ACCEPT MORE CHANGES...."

--LAWRENCE O'ROURKE, PHILADELPHIA BULLETIN, MAY 23, 1975

"LET GENE MCCARTHY RUN AS AN INDEPENDENT FOR PRESIDENT IF THAT'S HIS BAG, BUT DON'T FORGET THAT IN THE PROCESS HE'S BECOMING A CHIEF SPOKESMAN FOR REMEDYING OUR NEGLECT OF THE NATION'S RESOURCES...." --FORMER GOVERNOR TOM MCCALL, OREGONIAN, MAY 25, 1975

"IN CONTRAST WITH ALL THIS MEANINGLESS, AMORPHOUS, DEMOCRATIC-REPUBLICAN, ALL-THINGS-TO-EVERYBODY, ADVERTISING AGENCY KIND OF CENTRIST POLITICS, GENE MCCARTHY STANDS OUT LIKE SITTING BULL AT A U.S. CAVALRY REUNION...." --MICHAEL KILIAN, CHICAGO TRIBUNE, MARCH 11, 1975



"THOUGHTFUL AMERICANS WILL APPLAUD EUGENE McCARTHY'S CALL FOR STRIPPING THE OFFICE OF THE PRESIDENCY OF THE MYSTIQUE AND TRAPPINGS THAT HAVE SURROUNDED IT IN RECENT YEARS.... McCARTHY, AS USUAL, HAS POINTED US AGAIN IN THE RIGHT DIRECTION."

--MADISON CAPITAL TIMES EDITORIAL, APRIL 29, 1975

"McCARTHY, AN INDEPENDENT PRESIDENTIAL CANDIDATE, CALLED FOR CREATION OF NEW JOBS BY SHORTENING THE WORK WEEK OR WORK YEAR AND FOR 'ASSURING AN ADEQUATE INCOME TO THOSE WHO ARE UNABLE TO WORK.'McCARTHY'S NOTION IS PRACTICAL AND WORKABLE."

--CHICAGO DAILY DEFENDER EDITORIAL, MAY 6, 1975

"DURING TWO DAYS OF CAMPAIGNING IN MIAMI THIS PAST WEEK, McCARTHY RECEIVED AN EXCEPTIONALLY WARM RECEPTION FROM COLLEGE STUDENTS AND THE VERY LIBERAL CONCERNED DEMOCRATS.... McCARTHY, WHOSE INDEPENDENT STATUS GIVES HIM A DETOUR AROUND THE PRIMARIES, IS CONFIDENT HE CAN GET ON FLORIDA'S BALLOT. HE SEES 'NO PROBLEM' IN MUSTERING THE NEEDED 36,000 SIGNATURES." --JOHN McDERMOTT, MIAMI HERALD, JULY 20, 1975

"I THINK HE CAN WIN.... I LIKE HIM AND I THINK HE WOULD MAKE A GOOD PRESIDENT. HE HAS ONE OF THE MOST INTELLIGENT AND ORIGINAL MINDS I'VE EVER SEEN IN POLITICS. CERTAINLY COMPARED TO ANYONE ELSE IN THE FIELD, THERE'S NO COMPARISON. THE DEMOCRATIC FIELD IS COMPLETELY EMPTY. HE KNEW MORE THAN ANYONE ELSE LAST TIME, YOU KNOW. I THINK HE CAN DO IT."

--RICHARD N. GOODWIN, QUOTED IN CRAWDADDY, JULY, 1975

Gene McCarthy: ***There's No Comparison***

"I THINK HE CAN WIN.... I LIKE HIM AND I THINK HE WOULD MAKE A GOOD PRESIDENT. HE HAS ONE OF THE MOST INTELLIGENT AND ORIGINAL MINDS I'VE EVER SEEN IN POLITICS. CERTAINLY COMPARED TO ANYONE ELSE IN THE FIELD, THERE'S NO COMPARISON. THE DEMOCRATIC FIELD IS COMPLETELY EMPTY. HE KNEW MORE THAN ANYONE ELSE LAST TIME, YOU KNOW. I THINK HE CAN DO IT."

--RICHARD N. GOODWIN, QUOTED IN CRAWDADDY, JULY, 1975

"HE DISCUSSES DETENTE IN TERMS NOT OF BACKFIRE BOMBERS AND HENRY KISSINGER, BUT OF THE SHEER INSANITY OF A NUCLEAR BUILDUP THAT PERMITS THE BIG POWERS TO ANNIHILATE EACH OTHER TWENTY TIMES OVER." --SANDRA SALMANS AND JAMES DOYLE, NEWSWEEK, MARCH 1, 1976

"....WHAT WE NEED IS A PRESIDENT WITH COMPASSION AND WIT, WITH A SENSE OF DEMOCRATIC LIMITATIONS ON THE WHITE HOUSE, WITH AN UNDERSTANDING OF THE CONSTITUTION; AND MOST OF ALL, FOR WHEN SPRING ROLLS AROUND, A GOOD CURVEBALL TO IMPRESS THE CROWDS AT OPENING DAY OF THE BASEBALL SEASON. NOBODY COMES CLOSE TO EUGENE MCCARTHY."

--GERRY PRATT, PORTLAND, OREGON
COMMUNITY PRESS, APRIL 28, 1976



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"IF THE FOUNDING FATHERS WERE ANYTHING LIKE THE HISTORY BOOKS HAVE PAINTED THEM, SOME OF THEM MUST HAVE TALKED LIKE GENE MCCARTHY...." --NEIL MEHLER, CHICAGO TRIBUNE, OCTOBER 21, 1975

"MCCARTHY IS THAT RARE PERSON IN AMERICAN POLITICS, ONE WHO WILL NOT MOVE TO SAFER GROUND, KEEP HIS THOUGHTS AND CRITICISMS QUIET, PLAY THE CHAMELEON." --ROBERT KIRSCH, LOS ANGELES TIMES, NOVEMBER 25, 1975

"....HE SHOULD BE LISTENED TO NOT ONLY FOR THE DIFFERENT ANSWERS HE OFFERS BUT ALSO FOR HIS RECOGNITION OF THE NEED FOR DIFFERENT QUESTIONS." --EDITORIAL, ST. LOUIS POST-DISPATCH, FEBRUARY 21, 1976

"MCCARTHY'S PERFORMANCE IN HIS VISIT TO OKLAHOMA WAS ONE OF THOSE RARE TREATS THAT KEEPS POLITICAL WRITERS WRITING. AFTER WADING THROUGH PLATITUDES, DISSEMBLING AND OVERT POLITICKING OF THE NORMAL RUN OF CANDIDATE, MCCARTHY WAS LIKE A LONG, COOL DRINK OF WATER ON A HOT DAY IN AUGUST." --EDITOR'S NOTEBOOK, OKLAHOMA OBSERVER, FEBRUARY 25, 1976

"....HE HAS SUPERB INTELLIGENCE AND A HARD SENSE OF MEASURE FOR WHAT CAN BEST BE RETAINED IN CONSERVATIVE AND LIBERAL IDEAS." --NORMAN MAILER, COSMOPOLITAN, MAY, 1976

"COME THE CAMPAIGN, MR. CARTER AND THE REPUBLICAN SURVIVOR WILL BE TOPPING EACH OTHER IN EXHORTATIONS THAT AMERICA BE NO. 1 IN NATIONAL DEFENSE. BUT WHAT OF THE SUBSTANTIAL MINORITY OF VOTERS WHO THINK WE ALREADY SPEND TOO MUCH ON DEFENSE?

...INDEPENDENT GENE MCCARTHY WILL OFFER AN ALTERNATIVE."

--WILLIAM SAFIRE, NEW YORK TIMES, MAY 27, 1976

Sketch by William O'Donnell

MCCARTHY '76

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EUGENE J. MCCARTHY--A BIOGRAPHICAL SKETCH

Eugene McCarthy was born in 1916 in Watkins, a small town in rural Minnesota. (His father was a cattle dealer who owned a farm near Watkins.) McCarthy majored in English at St. John's University, Minnesota, where his extra-curricular activities included hockey and baseball. He played first base for the St. John's team and also played for his hometown team, which competed in a country league.

At the age of nineteen, McCarthy graduated with honors from St. John's University and went on to teach high school in Minnesota and North Dakota. He received a master's degree from the University of Minnesota and eventually returned to St. John's to teach economics and education. During World War II he served as a civilian code breaker for the War Department. After the war, he farmed for a time and then taught economics and sociology at the College of St. Thomas.

Mr. McCarthy represented Minnesota's Fourth District in the U.S. House of Representatives for 10 years, beginning in 1949. His work in the House included efforts to aid migrant workers as a member of the Agriculture Committee and work for tax reform as a member of the Ways and Means Committee. He was also a founder of the Democratic Study Group, which in its early days was called "McCarthy's Mavericks."

McCarthy was elected a U.S. Senator from Minnesota in 1958 and re-elected in 1964. His work in the Senate included service on the Agriculture, Finance, and Foreign Relations committees. He also chaired the Special Committee on Unemployment Problems, which made many recommendations adopted by the Congress.

Senator McCarthy's opposition to the war in Vietnam led him to challenge Lyndon Johnson for the Democratic presidential nomination in 1968. After a strong showing in New Hampshire, McCarthy won the primaries in Wisconsin, Pennsylvania, Massachusetts, Oregon, and New York.

Mr. McCarthy retired from the Senate in 1970, at the end of his second term. He taught university courses in politics, literature, and history for several years. He also lectured to groups throughout the country and wrote about fifty essays and articles for such publications as Commonweal, Newsweek, The Nation, and The New Republic.

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On January 12, 1975 in Madison, Wisconsin, Eugene McCarthy announced as an independent candidate for the presidency of the United States. His supporters throughout the country are running petition drives to place his name on the ballot for the general election. McCarthy says, "When Republicans and Democrats finish their conventions next summer, either in a state of confusion and division or in homogenized compromise, we independents expect to be waiting for them, ready with a challenge, both substantively on the issues and procedurally in the name of constitutional and representative government."

McCarthy believes that: "Sensing the will of the people, the President must be prepared to move out ahead so that the people can follow, giving direction to the country and guiding it, largely by way of setting people free."

EUGENE J. MCCARTHY--SELECTED BIBLIOGRAPHY

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QUESTIONS ABOUT EUGENE MCCARTHY

Gene McCarthy has received more than his share of unfair attacks in politics. Here, in question form, are some of the most widespread misconceptions and misrepresentations about McCarthy. Each is followed by facts which set the record straight. (See footnote references for documentation of the facts.)

WHAT ABOUT THE CHARGE THAT MCCARTHY DROPPED OUT OF POLITICS AND STOPPED TALKING ABOUT THE ISSUES AFTER THE 1968 DEMOCRATIC CONVENTION?

It is not true. After his nine-month presidential campaign, Senator McCarthy took only a short time off and then returned to the campaign trail on behalf of antiwar candidates for the Senate and House. He made campaign appearances for Senate candidates William Clark, Alan Cranston, John Gilligan, Ernest Gruening, Wayne Morse and Paul O'Dwyer--and for a number of House candidates.¹ McCarthy also raised some \$67,000 through a direct-mail campaign in the fall of 1968; the money was used partly to pay debts of his presidential campaign, but also to help the campaigns of eight or more antiwar candidates for the Senate.² In late October, McCarthy spoke in Boston at a fundraising rally for eleven Senate candidates who opposed the war: Senators Frank Church, J. William Fulbright, Ernest Gruening, George McGovern, Wayne Morse, Gaylord Nelson; and Challengers Alan Cranston, Thomas Eagleton, John Gilligan, Harold Hughes, and Paul O'Dwyer. According to a press report, the rally raised about \$75,000.³ A few days later, McCarthy spoke at another fundraising rally in New York for Paul O'Dwyer and other senatorial candidates.⁴

In 1969 Senator McCarthy wrote a book about the 1968 campaign and the issues it involved. Although not appointed to the Democratic party's reform commission--as he should have been, since he and his supporters were the major spokesmen for reform at the 1968 convention--McCarthy testified at length before that commission. Also in 1969, he spoke out for Biafran relief and against the ABM (anti-ballistic missile system).⁵

McCarthy was active in support of the Vietnam Moratorium Committee, including assistance with its fundraising. On the first and largest Moratorium observance of October 15, 1969, he spoke at antiwar protests at Rutgers University and in New York City.⁶ Few antiwar members of Congress wanted to risk connection with the march on Washington against the war scheduled for November 15th. McCarthy was the first of the very few Senators who endorsed and joined the march.⁷

Throughout 1970 McCarthy challenged the Nixon administration's "Vietnamization" policy. In February testimony before the Senate Foreign Relations Committee, he said that Vietnamization probably would not work, but that if it did, it would mean that: "Asians would be killing Asians with American arms. Defoliation and destruction of crops would continue; villages be destroyed; refugees be 'generated'; casualties be continued...."⁸ Later in the year McCarthy campaigned again for antiwar congressional candidates, including George Brown, John Callahan, Ronald Dellums, Robert Drinan, Joseph Duffey, Don Edwards, Philip Hoff, Carl Maxey, Paul O'Dwyer, and Gerry Studds.⁹

McCarthy continued to oppose the war until its end--in teach-ins, rallies, articles, speeches. But this was not the only issue that concerned him in the years after 1968. He spoke out continuously and forcefully for reform of the Democratic party. He was active in opposition to the nomination of G. Harrold Carswell to the Supreme Court. He was active in support of the Equal Rights Amendment (of which he was principal sponsor in the Senate).¹⁰ He continued the effort he had started in the 1968 campaign to bring about welfare reform. And when the Senate Finance Committee failed to hear testimony from welfare recipients themselves, McCarthy held his own, unofficial hearings so that people on welfare could testify.¹¹ He also sought improvement in the unemployment compensation program--one of McCarthy's special interests throughout his Senate career.¹²

Since leaving the Senate, McCarthy has continued to speak and write on all of the great issues. He has published some fifty articles in such publications as Commonweal, Harper's, The Nation, and The New Republic. A new McCarthy book called The Hard Years will be published in the fall of 1975; it deals with American institutions (such as the presidency, the CIA, the military establishment, corporations) and the way they work or do not work. McCarthy is now completing his eighth book, America Revisited, which compares America today with America at the time of Alexis de Tocqueville's visit in the 1830s.¹³

WAS MCCARTHY RESPONSIBLE FOR RICHARD NIXON'S ELECTION IN 1968 BECAUSE MCCARTHY WAITED A LONG TIME BEFORE ENDORSING HUBERT HUMPHREY?

No. Hubert Humphrey and the Democratic party--not Eugene McCarthy--lost the 1968 election to Richard Nixon. If the Democratic party had acted responsibly, its plurality of nearly sixteen million votes in the 1964 presidential election would

not have disappeared by 1968.

McCarthy delayed endorsing Humphrey, hoping that counter-pressure against the pressure exerted by President Lyndon Johnson might move the Vice President to change his hawkish position on the Vietnam War--or at least to show some independence. But Humphrey made it difficult for McCarthy to support him. Humphrey did not even protest the police raid on McCarthy headquarters in the Conrad Hilton Hotel the morning after the Democratic convention ended. Most important, he refused to change his Vietnam position in a significant way.¹⁴

In a relatively close election, one can always point to a number of factors which might have changed the outcome. For example, Representative Morris K. Udall recently said of George S. Wallace's 1968 campaign: "...in my judgment and that of many other Democrats, he defeated Hubert Humphrey. If he'd been out of the race, we would have been saved from Nixon and Watergate and all the rest."¹⁵

WHY DIDN'T MCCARTHY VOTE FOR TEDDY KENNEDY FOR SENATE WHIP?

This is a reference to a 1969 Senate Democratic caucus vote on the job of party whip. (The whip's role is largely a house-keeping one. He notifies his party's senators about pending votes, helps keep legislation moving, and performs other chores.) The caucus voted in 1969 to take the whip post away from Senator Russell Long of Louisiana, who had been whip since 1965, and to give it to Senator Edward Kennedy of Massachusetts.

McCarthy voted for Long in the caucus. He later told a reporter that, before Kennedy entered the contest, Senator Edmund Muskie of Maine had checked into his own chances of winning the whip job "and found he couldn't make it. He asked me and I told him that I had voted for Russell four years ago and couldn't see any reason to kick him in the teeth now. After telling Muskie that, how could I turn around and vote for Teddy? But you could zero in on the guys who said no to Muskie but said yes to Teddy and ask them what great principle they had discovered in the meantime."¹⁶

Senator McCarthy viewed the job as relatively unimportant and did not understand why Kennedy wanted it. McCarthy also viewed the job as one which did not lend itself to a liberal-conservative division. In 1965, for example, one of Long's chief supporters in the whip contest was Senator Paul Douglas, a leading Northern liberal. Long (who was considered to be a conserva-

tive by some and a populist by others) was nominated for the whip post in 1965 by Senator Clinton Anderson, a leading Western liberal. Most of the Great Society legislation was passed during the period when Long was whip.¹⁷

McCarthy told a reporter, "I went against Lyndon Johnson last year because I thought there was a great issue at stake. I would have voted against Russell Long, too, if I thought there was some cause or principle involved. But what was it? You come back in two years and show me how the Senate is changed or improved by having Teddy as whip instead of Russell Long."¹⁸

As it happened, two years later (after McCarthy had left the Senate), Kennedy himself was ousted from the whip post by Senator Robert Byrd of West Virginia. And a Washington Star article of November, 1971 reported that Kennedy was "delighted that he is no longer the Senate's Democratic whip." The Star quoted Kennedy this way:

"Except for losing, all the consequences were favorable," he says. "It has freed my time and that's the most valuable commodity there is. I have time to think and study. I think I am a more effective senator because of it."¹⁹

WHY DID MCCARTHY LEAVE THE SENATE FOREIGN RELATIONS COMMITTEE IN 1969?

In a statement issued at the time, Senator McCarthy explained that committee chairman J. William Fulbright had asked to have the committee's size reduced from 19 members to 15. McCarthy's own experience on the committee led him to agree with Fulbright that it had become too large and unwieldy. He believed the committee could be "much more effective if it is small in size."²⁰

Yet the Republican leadership and some Democrats favored the larger size. Moreover, Senator Gale McGee (D-Wyo.) had been promised a seat on the Foreign Relations Committee when the first vacancy occurred. There were several Democratic vacancies in early 1969, but there would be none if the committee were reduced to 15. Had it broken its promise to McGee, the leadership would have created more pressure for keeping the committee at 19. "I therefore offered to resign," McCarthy said, "to make it possible for the Steering Committee members to honor their commitment to Sen. McGee and still keep the committee at 15."²¹

In a January letter to Newsweek, Senator Fulbright sought to correct misinformation about McCarthy's decision:

There is a statement in Newsweek of January 20 to the effect that the resignation of Senator Eugene McCarthy from the Committee on Foreign Relations "offended his old friend Fulbright." Nothing could be further from the truth....²²

Referring to McCarthy's membership on the committee from 1965-1968, Fulbright said:

He had seen how size inhibited Committee activities not only in the thoroughness of the examination of witnesses, but in efforts to establish quorums. I believe he felt... it was wise to move in the direction of reducing the Committee to 15 members--a more manageable size. I respect his decision to withdraw from the Committee in order to avoid a situation which would in the light of other applications for membership have had the effect of keeping the Committee at a size which it was agreed by most members was inefficient....²³

Some observers noted that McCarthy had allowed a hawk to take his seat on the committee. Yet after the switch the committee was still overwhelmingly dominated by antiwar Senators, as it had been for some time. McCarthy later said, "Although Senator McGee has in some cases opposed the majority of the committee, he has been either a sole dissenter or one of a very small minority on the committee." McCarthy also remarked that "the committee with fifteen members is operating very effectively in challenging the militarization and the personalization of the foreign policy of this country." He especially commended subcommittees headed by Senators Albert Gore, Stuart Symington and Frank Church for their work on disarmament, U.S. commitments abroad, and Latin American policy, respectively.²⁴

WHY DID MCCARTHY GIVE HIS SENATE SEAT TO HUBERT HUMPHREY BY DECIDING TO RETIRE FROM THE SENATE INSTEAD OF RUNNING FOR RE-ELECTION IN 1970?

The Senate seat was not McCarthy's to give to anyone. It belongs to the people of Minnesota. When Senator McCarthy

decided not to run for re-election, the seat was open to anyone who wished to run for it. Someone more liberal than Humphrey (for example, Representative Don Fraser) could have run for the seat; but only a little-known candidate chose to do so. That candidate gave Humphrey a respectable fight but was defeated in the state nominating convention and again in the primary.²⁵

As for McCarthy's reasons for declining to run again for the Senate, he indicated several. He was considering a possible 1972 presidential candidacy outside the Democratic party; but "if I had run as a Democrat, I would have felt a very special kind of obligation...to be a Democrat."²⁶ He also felt that a person should not use the U.S. Senate as a continuing platform for launching a presidential candidacy: "I don't think you ought to do it more than once in your Senate career...."²⁷

McCarthy also said, "I think there are a number of issues which can be dealt with almost as effectively, perhaps more effectively, from outside the structure of Congress itself and possibly also from outside the political party structure. The issues that we talked about here--the criticism of the economic policies of both Democrats and Republicans, because they have both been at fault, is easily, perhaps better done from outside...."²⁸

On another occasion, McCarthy remarked:

"The needs of the country require positive actions and judgments. I hope to think about some of the serious problems which face this country.

"What I want to do I can do better without the limitations of the responsibility to one's constituents in the Senate."²⁹

McCarthy also indicated that, after twenty-two years in the Congress of the United States, he was ready for a change. He later told an observer that:

"The Senate is not the end, not a comfortable cave in which to retire or even to be used as a springboard to bigger things. It's a job... like any other job. It's not sacred, and I never thought of spending my life at it."³⁰

This is something that liberals in particular should understand, since they have long assailed the seniority system in Congress and have criticized members of Congress who stay there just for the sake of staying and guarding the rewards of seniority.

Finally, McCarthy suggested that there was a certain futility in much of the Senate's work. As one reporter put it, "He thinks there is more positive work to be done than haggling over whether or not the medical warning on cigaret packages should say 'smoking' or 'excessive smoking' can cause cancer."³¹ Another reporter who interviewed McCarthy more recently said that McCarthy "occasionally misses the Senate. Bills like those designating the final resting place for Smokey the Bear or barring TV blackouts of football games 'are the kind of responsive, significant legislation you'd like to be there for.'"³²

WHAT ABOUT THE CHARGE THAT, SINCE THIS IS MCCARTHY'S THIRD TRY FOR THE PRESIDENCY, HE IS GETTING TO BE LIKE HAROLD STASSEN?

If one considers only the number of times a person has run for the presidency, just two public figures today match Stassen's record of four presidential campaigns.³³ One is George Wallace. His current presidential campaign is his fourth; he also ran in 1964, 1968, and 1972.³⁴

The other is Hubert Humphrey. In addition to his favorite-son candidacy in 1952, Humphrey ran for President in 1960, 1968, and 1972.³⁵ If Senator Humphrey runs again in 1976, he will surpass the Stassen record.

But numbers alone do not mean anything. No one should make fun of Harold Stassen. He is a better man than most of the men Republicans chose for presidential candidates when Stassen ran. The Republican party should have listened to him more closely. In 1948, for example, the Republicans chose Thomas Dewey over Stassen as their presidential nominee. Dewey lost the election, whereas Stassen--with his appeal to Independents--might have won. Stassen ran against Dwight Eisenhower in 1952; and Stassen's subsequent record in disarmament efforts and in opposition to John Foster Dulles suggested that he would have provided a better foreign policy than did Eisenhower. Stassen also initiated a dump-Nixon movement in 1956, encouraging Republicans to give the vice presidential nomination to a moderate rather than to Nixon. Had Stassen prevailed in 1956, the country might never have undergone the Nixon presidency. Stassen challenged Nixon for the Republican presidential nomination in 1968; had he won the nomination and the election, it seems certain that he would have provided a more honorable presidency than that of Richard Nixon.³⁶

HOW ABOUT THE PEOPLE WHO SAY THAT MCCARTHY IS A POET, AND THAT IT'S RIDICULOUS TO THINK OF A POET AS PRESIDENT OF THE

UNITED STATES?

In speaking of McCarthy, journalist Joe Flaherty once remarked that "I wouldn't mind a man whose aberration is poetry, since that art is a deliberate one, and contemplation is not a flaw in a statesman."³⁷

Abraham Lincoln was a poet. Two of his poems were published anonymously in the late 1840s. Of his favorite poem, William Knox's "Mortality," Lincoln said that "I would give all I am worth, and go in debt, to be able to write so fine a piece as I think that is...."³⁸

Lincoln's poetic interests did not harm his presidential abilities. Some believe that he was our greatest President.

About his personal life: Senator McCarthy is not divorced. He and his wife are separated. He is currently living in Washington, D.C.; living with him are his son Michael and his daughter Ellen.

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Why Liberals Should Support Eugene McCarthy for President

Jerome N. Eller
Administrative Assistant to Sen. McCarthy
1963-1970

It is not enough to advocate the election of Eugene McCarthy as President of the United States by asking comparison to any or all of the growing list of candidates offering themselves for the Republican and Democratic Party nominations. He has shared a common purpose with some of them and stands apart from all of them, not because of party labels or because of his independent candidacy, but because he has demonstrated an uncommon courage — in both word and deed — by a lifetime of attention to the great problems that are the proper work of practical politics.

Despite the protestation that ours is a government of laws and not men, laws are made by persons and persons make decisions. Our recent history is sad testimony to this reality. We can never justify our choice of a President by party badges or ideological clichés. Behind the symbols and the rhetoric are candidates to be judged, not by personality alone, but by their persons — by what they think and say and do about the great concerns of their time.

If American liberalism has one mark, it is its insistence on personal responsibility for participation in political action. It is not enough to enunciate principles, or formulate policies, or design programs. The whole political process depends upon procedures which enable citizens to act as intelligent, responsible, creative human beings. Politics is a matter not only of knowing what needs to be done, but also of doing it within the limits of political responsibility and political possibility.

This kind of open politics should be the special concern of liberals at a time when apathy and aversion toward political participation are accepted as the national condition. Elections should not be settled by default or by a choice of the better of two marginal alternatives. In 1976, most voters will not support any nominee on any platform that any convention may choose just because that's what the party is offering this year.

In 1972, Eugene McCarthy said: "The judgment you pass on political parties is whether or not they usefully and effectively serve the needs of the country and whether they are open to the judgment of the people; whether they provide a means through which that judgment can be brought to bear

upon problems. When you find that this is not the case, the first effort you make is to change them, to adjust them, to make them effective; and failing in that, to give thought to new methods and to new procedures and even to new political parties."

There is nothing wrong with a large number of candidates offering themselves for the nomination if their campaigns show the character of the candidates, clarify the issues, and help to perfect the political process. As of now, the campaigns within what we call the two-party system have done none of these things.

Instead, we have a more than half-ludicrous spectacle of a six-party system offering liberal Democrats vs. moderate Democrats vs. conservative Democrats and liberal Republicans vs. moderate Republicans vs. conservative Republicans. This is only the sideshow. On the high wire of real issues — Vietnam and its consequences, civil rights, the economy, the environment, the poor, the CIA, the FBI, the IRS — they are running against former Presidents, the incumbent President, and against themselves and their own records.

The tragedy of this comedy is not that it serves the smart-aleck commentators and columnists for 30 seconds or three paragraphs, but that it offers already discouraged voters the contradictions of politics-as-usual in the guise of choice.

Up to now, the ultimate (or maybe only the penultimate) indignity is offered by Medical World News in its recent release of the candidates' medical histories: a choice among small warts, an enlarged prostate gland, histoplasmosis, a rhythmic twitch, an allergy to hops and Swiss cheese, a rectal polyp, acute labyrinthitis, a pinhead tumor of the urinary bladder, nasal stuffiness, leukoplakia, a glass eye, and one partially deaf ear.

To accept this as the state of American politics in the bicentennial year is to forswear the claim of reason on human action and to accept a travesty of madness for that reality.

These are not frivolous examples. They are, however, a measure of the candidates' willingness to demean themselves and their offices in this election year. Nor is this what Eugene McCarthy means when he speaks of demythologizing the office of the Presidency. To accept the Founding Fathers' concept of the Presidency as an office of significant but limited power, an office that

shares both power and responsibility with the other branches of government and with the people, does not mean degradation of the office.

This is what sets McCarthy apart — his respect for the institution of the Presidency and his personal commitment to honor its legitimate traditions and its proper uses.

He has the other credentials as a working politician who won five elections to the House of Representatives and two terms in the United States Senate. On the record, McCarthy has not only participated in the decisions of Congress for 22 years but often took on the long fight to form those decisions. As Tom Wicker says, the things he stood for, "once so unorthodox, now become the conventional wisdom...."

McCarthy's legislative record is one of prophetic insight and personal courage. A special test, however, occurs beyond the yeas and nays and involves political imagination and political honesty when the chips are down and the stakes are real: human rights, civil liberties, jobs and unemployment, tax reform, welfare rights, legal justice, the Equal Rights Amendment, control of the CIA and FBI, and his challenge to President Johnson on the war in Vietnam.

This is not a summary of the record nor a platform, but it serves as an indication of the values, accountability, responsibility and reason which McCarthy represents best in American politics.

Unlike the candidates of nostalgia, McCarthy is not content to stand on the record. The liberal, he says, is ideally and characteristically an optimist, willing both to advocate and accept change, not blindly but with a conviction that our national problems are capable of some resolution if not of complete solution.

He has never fed the popular and pious despair of some liberals and he has never offered more than reality. This rejection of the illusion of simplicity bespeaks a profound respect for truth, not merely as a matter of practical politics, but because lies diminish those who say them and deny the reality which they distort.

In 1967, Walter Lippman wrote: "Eugene McCarthy's mission is to do whatever a gifted and honest man can do to stop the rot in the American political system."

This is a reasonable effort for 1976.

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Unlike the candidates of nostalgia, McCarthy is not content to stand on the record. The liberal, he says, is ideally and characteristically an optimist, willing both to advocate and accept change, not blindly but with a conviction that our national problems are capable of some resolution if not of complete solution.

He has never fed the popular and pious despair of some liberals and he has never offered more than reality. This rejection of the illusion of simplicity bespeaks a profound respect for truth, not merely as a matter of practical politics, but because lies diminish those who say them and deny the reality which they distort.

In 1967, Walter Lippman wrote: "Eugene McCarthy's mission is to do whatever a gifted and honest man can do to stop the rot in the American political system."

This is a reasonable effort for 1976.

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Paid for by McCarthy '76, 1440 N Street, NW, Washington, DC 20005; Mary Meehan, Treasurer

Eugene McCarthy and Clifton Fadiman on Personal Philosophy and Politics

Former Minnesota Senator Eugene McCarthy, on one of his frequent visits to the Center, recorded a conversation with Center Consultant, Clifton Fadiman, author and critic. He had just come from Washington, D.C. where he had announced the organization of a "political movement," the Committee for a Constitutional Presidency, to put forward an independent Presidential candidate in 1976, characterizing himself as "its temporary leader." The conversation which follows is the first in a series which will be broadcast on KUSC-FM, Los Angeles.

CLIFTON FADIMAN: Is it too much to ask you to sketch what we might call your own personal credo — the things you live by?

EUGENE MCCARTHY: Very early in life the idea of joining vocation and profession together was important to me. Everybody has some responsibility towards society. You know we somehow have forgotten the old medieval idea of a vocation and a profession to it. A man believed his work had personal and social significance — even secular and religious significance.

FADIMAN: Is politics a profession?

MCCARTHY: I think it has to be accepted. In cases of corruption in politics — almost venal corruption — you find a man defending himself by saying he wasn't doing anything in politics that wasn't acceptable in the business or professional world from which he came. And sometimes he is quite right. I think we have to stress more and more — and in a way I have made this kind of judgment with reference to my own conduct — the idea of profession and of social responsibility.

FADIMAN: Is there anything in your own career which made you come to these conclusions? A crisis of some kind?

MCCARTHY: No crisis. I tend to think in terms of contract and commitment. For example, I was offered the ambassadorship to the U.N. by President Nixon in 1969. I made my acceptance

conditional. I said I would take it if the Republican governor of my state would appoint a Democrat to my seat in the Senate. I didn't think I had a right to yield the Senate seat to which I had been elected by the Democrats in my state to a Republican in order to take the U.N. ambassadorship. The Governor of Minnesota refused to appoint a Democrat, as you know, so I turned down the ambassadorship. During my twenty-five years in politics I have tried to make the judgment within the context of certain sort of philosophical ideas such as the ones I've talked about and as far as I could within my judgment of what the movement of history called for by way of political action.

FADIMAN: It seems to me your attitude, which you began taking twenty-five years ago, is peculiarly pertinent in our own time.

MCCARTHY: I think some of our problems now stem from the fact that you have to have a reasonable relationship between your philosophy, or your principles and the policy you develop to realize them. In so many areas of national concern we are out of phase; we have a great philosophy with reference to equality before the law, but the reality is somewhat removed from that. For example, we have a wrong philosophy or theory of poverty in this country. We keep pretending it isn't there and consequently we can't develop any effective programs for dealing with a reality which we refuse to acknowledge as existing.

FADIMAN: I have often felt that in your own political work you have acted as teacher no less than as politician.

MCCARTHY: I'm quite sure that if I hadn't run for office, I would certainly have stayed in education and teaching. I have looked upon the function of a politician as in part being that of an educator or teacher. Now that I am out of the Senate I miss it a bit because it's not a bad platform — you can sometimes get attention which you can't always get outside.

FADIMAN: Did you always have willing pupils in the Senate?

MCCARTHY: I'm not willing to say you are lucky to have anyone in the Senate when you start a speech, but if anyone is there when you finish, it's more than you could have hoped for. It is a platform; if it's not the Senators who are listening, you may hope that the press will spread the word about, and you can always get copies of the *Congressional Record* and send them out.

FADIMAN: Tell me about the new book you are working on.

MCCARTHY: I think it will probably be called "America Revisited." I take the America of 1831, approximately around the time of Tocqueville's visit and use some of his observations and then fill in what he couldn't observe. Tocqueville examined our prisons; he came here, as you know, for that purpose. What I am trying to do is to take the conditions of prisons and what was thought about crime and punishment and reform in 1831, and then move from that, without tracing much of what happened in between, to the present conditions of prisons and present thoughts about prison reform and punishment and so on. To show, in this case, how little change has taken place in 143 years.

FADIMAN: Like most of us, have you found in reading Tocqueville an extraordinary prophetic ability?

MCCARTHY: There are some amazing insights. For example, at that time we had only four or five thousand infantrymen in the whole national army;

it was just at the time when they were beginning to agitate for a navy and also asked for a cavalry. It was the beginning of the first drive for a standing army in this country, and Tocqueville made a most interesting reflection. One of the tests of democracy, he said, would come when we had a large military establishment particularly because if a democracy has a military establishment which is larger than what is needed for a current military action, it tends to become a republic within the republic. Which is essentially what we have in the Pentagon now — it's almost another state. Sometimes I think if the civilian government could get diplomatic representation at the Pentagon it would be very helpful to us. And it's amazing to read his observations about the operation of our court system, the Supreme Court, in particular. In connection with impeachment Tocqueville said that the ultimate test of American democracy would come when the final question was put to the Court and how the Executive branch would respond. My book is actually going to be a comparative study of the condition of our institutions today against their condition in the 1830s.

FADIMAN: If you had to summarize your achievements so far, what are you proudest of having done and what do you wish you had succeeded more in doing?

MCCARTHY: Well, there are a number of things. I take some satisfaction in at least three or four of the books that I have written. I think as far as the Congress is concerned, the one involvement that was probably the most important had to do with civil rights. I ran for the Senate in 1958 after having been in the House of Representatives for ten years because I believed that if you were going to do anything about civil rights, you had to have a significant shift of the balance of liberals in the Senate. We had been passing civil rights bills for about ten years in the House, and they all died in the Senate. The 1958 election brought about that important change and from 1958 on to 1964-65 the Senate passed a series of civil rights bills. But, beyond that I am more interested in trying to

deal with institutional aspects of American government and of American law rather than what some people might call "special legislation." Take, for example, the institutional character of the Senate. In 1959 when I was new in the Senate we raised some issues during the confirmation of Louis Strauss as Secretary of Commerce. He had said two things when he was Chairman of the Atomic Energy Commission: the Executive Branch doesn't really have to tell the Congress anything it doesn't want to, and that it doesn't have to carry out the laws passed by the Congress. We closed in on these points. I think I made the opening speech challenging his confirmation. Later his hearings got into other issues, but that was the basic challenge and Strauss was not confirmed. I thought then and of course still do, that the Senate has to assert itself in three areas. One is the question of confirmation. This is a real power of the Senate. I have never felt that the Senate should almost automatically approve the appointments of the presidents. I was one of three or four people who voted against confirmation of Admiral Moorer as Chairman of the Joint Chiefs. Secondly, the Senate should challenge much more seriously the appointments to the Federal bench. There was some action on that — the rather obvious cases of Carswell and Haynesworth. But Warren Burger was confirmed by the Senate as Chief Justice almost unanimously — we had only three votes against him. His confirmation should have been challenged, most seriously, by democrats and liberals in the Senate who knew pretty much what his record as a judge had been.

FADIMAN: Why do you suppose they were lethargic about the Burger confirmation?

MCCARTHY: Oh, they couldn't find that he owned a piece of a vending machine company and hadn't made an anti-civil rights speech at any time in the past. His confirmation was almost automatic. Burger came in with a head full of bad legal ideas which I think has had a much more serious effect than had he been like Haynesworth and had owned part of a vending ma-

chine company. My third point is about Senate participation in the formulation of foreign policy. I was one of the first to challenge the independence of the CIA from Congressional supervision. We saw it in the Bay of Pigs, and of course, again in the case of Chile. Here is an operation, a foreign policy operation, which is extralegal, and I think unconstitutional. Frankly I don't see that the Congress is asserting itself effectively right now in any of these areas.

FADIMAN: If members of Congress had that sense of vocation we were talking about a few minutes ago, it seems to me they would be more alert to their own weakness.

MCCARTHY: I'm afraid they don't have a sense of what it is to be a member of Congress. It's a sort of personal office. In any case my concern is the need to return to a government of laws, a government of institutions. This is especially important at the presidential level — what are the powers of the presidency, how should the office be conducted? But almost the minute that Gerald Ford became president the press and the public began to personalize the whole thing all over again, even though we've had considerable experience of what happens when the personalization of the presidency goes to excess as it has in the three recent administrations.

FADIMAN: Do you feel that these ideas of yours can become effective without your holding some political power yourself?

MCCARTHY: One doesn't know, but I think the best way to reform the presidency would be to have the office. You could then establish precedents.

FADIMAN: Do you have any ideas along those lines?

MCCARTHY: In 1968 I said, half jokingly, that I thought the impeachment process was too difficult and that there ought to be other ways of changing Presidential policy short of impeachment. When I said this it was not with a view to any special or particular action by any president; it was rather

a general reflection. I said I thought that if I were president I'd probably get myself impeached about a month before my term ended just to establish good precedent. I think we did discover in the case of the proceedings against Mr. Nixon that we ought to have something short of impeachment by way of dealing with special problems because the impeachment act is such an absolute one.

FADIMAN: If we had the British system, of course, it would be much easier, but we don't. Within our own system what recourses are available to the citizenry?

MC CARTHY: Not many. We ought to give attention to developing some new procedures and processes for changing policy and challenging presidential policy in a somewhat formal way — short of cutting off funds or proceeding to impeach.

FADIMAN: Here at the Center some of us feel that civilization is in genuine crisis while others feel that we are merely going through tough times, as we often have before. Do you sense that civilization is in a critical state?

MC CARTHY: It's probably less than that, but we are suffering a sort of institutional crisis. I am thinking of the political, governmental, and religious institutions and the whole complex of what is the American System. All of them were somehow operating more effectively under somewhat less complex conditions twenty or thirty years ago. I don't think they are now. We face a kind of institutional crisis.

FADIMAN: Is it because of the growth of technology?

MC CARTHY: That is part of the problem. But there is also a sort of indifference to making adjustments in control mechanisms. Take the Pentagon — we've allowed it to develop as an almost independent force in government. And then we have allowed the tremendous corporations to develop to a point where we are very close to a kind of corporate feudalism.

FADIMAN: Agreed. But the "we" that

you speak of, people like myself, feel powerless.

MC CARTHY: So do I. But it doesn't have to be that way. We need to make institutional adjustments to arrive at some kind of social control over these forces which seem to have an independent existence.

FADIMAN: I'd like to focus on a more specific question which flows out of what you just said. The institutions, you say, must be changed in some way. We generally change institutions through the work of the party system. That has been our tradition, and though I am more interested in these general questions, it's hard to let you go, Senator, without asking you your opinion of the position in which President Ford now finds himself and also the condition of the two major parties. What would you say the political situation is if you had to draw a map of it?

MC CARTHY: It's highly confused. The so-called two party system is not working effectively at all. In fact, we have something closer to a four party system disguised as a two party system, with rather sharp conflict within the two divisions. The consequence of this is that in presidential election years you are likely to get two candidates party positions which are almost indistinguishable as we had in 1968 on the critical issue of the Indo-China war. The people didn't see much difference, even in 1960, when Kennedy and Nixon ran and the margin of the victory was a couple hundred thousand votes. Or else you get a situation where a faction takes over and presents a rather unacceptable position, even within the party, and again you have no significant choice. This happened to the Republicans in 1964 where they ran Goldwater and he lost — by fifteen million votes — to Johnson. People felt they hadn't been given the kind of choice they wanted. And again in 1972 in the McGovern candidacy, when the Democrats lost to Nixon by eighteen million votes. I think it reflects some basic disorders within the two parties.

FADIMAN: Are you asking for really

radical realignment of the parties?

MC CARTHY: I don't think it's that radical. There are really two issues involved. One, we have to make Constitutional procedures and how the government is conducted a political issue. Secondly, we have to go back to the question of how candidates are chosen. This touches on your point. People feel they aren't represented; they don't think the process operates so that their judgment is brought to bear on the choice. And this in part explains why Wallace has so much support. It isn't that the people who are for him believe everything he says, but they figure it is a way to protest. I think we need and can develop a procedure whereby you can have much more direct participation on the part of the people in the choice of political candidates and the political programs than we now have. I suggest that what we ought to do is give some thought to the way in which the electoral college was really meant to function and find a way to allow the people to choose delegates and go to meetings and make some decisions about policy. Electoral college members are picked by the candidate or by the party. Instead you could have a very open process, it seems to me, whereby maybe units of 100,000 people in the country pick their delegate to the electoral college — he could be a Republican, a Democrat or an Independent. The important meeting would be that of the electoral college, not the two major party conventions.

FADIMAN: None of this could take place without a real grassroots movement, a really energetic effort on the part of millions of citizens.

MC CARTHY: It would take millions, yes. But I think it is possible, partly because of the general disillusionment and the feeling that the political system isn't working and in part because it's much easier to inform and move people to rather comprehensive movements now than was the case ten, twenty, or thirty years ago. You consider how quickly something like Common Cause developed into a national movement, or even the example of Wallace.

CAMPAIGN DOLLARS AND SENSE

EUGENE J. MCCARTHY



One more indication of the thoughtlessness of the Congress

Does the campaign finance reform act go far enough? The question is not whether it goes far enough, but whether it goes in the right direction.

Advocates of the measure generally hold that money is the root of all political evil—money rather than stupidity, inordinate desire for power, or concern about one's place in history (formerly called pride).

Had the campaign finance act been in force in 1972, one defender of the law has said, Watergate would not have happened. Why not? Would Richard Nixon have been defeated in 1968 if the campaign finance law had been in effect? Would the Nixon campaign committee of 1972 have hesitated to spend money derived from the tax check-off to finance the Watergate activity, any more than they hesitated to use money collected either legally or illegally in 1972????

The passage of the campaign finance bill is one more indication of the thoughtlessness of the Congress, of its lack of sensitivity to the function of ideas and of institutions in American democracy. It may be the most serious, following after (1) its approval of the Twenty-Fifth Amendment, an ill-conceived and badly-written amendment; (2) the approval of the so-called volunteer army, which act insures an unrepresentative and undemocratic, mercenary army; and (3) the passage of the revenue-sharing act, under conditions of panic and pressure from state governments and under the conditioning force of the economists who predicted un-

limited economic growth and, consequently, a miraculous increase in federal revenues which could best be distributed to the states for their disposal.

The passage of the campaign finance act and its approval and support by the Democratic and Republican parties raises further questions as to the reliability of those parties and of their leaders as defenders of the Constitution and of democratic ideas.

A Republican supporter of the law commented on the floor of the House just before its passage: "I believe within this conference report there are at least 100 items questionable from a constitutional standpoint. Any time we pass legislation in this field we are causing constitutional doubts to be raised. I have many myself. . . ." The Democrat who managed the bill in the House said: "I do not know whether it is constitutional or not." And President Gerald Ford, upon signing the bill into law, released a statement in which he said: "And although I do have reservations about the First Amendment implications inherent in the limits on individual contributions and candidate expenditures, I am sure that such issues can be resolved in the courts."

Leaders of both parties were thus willing to evade the serious constitutional problems involved in the bill and to pass those problems on to the courts, which are already overburdened with challenges to other bad laws.

The founding fathers did not want the Congress or the President to evade responsibility in this fashion. In fact, the Presidential oath of office—including the pledge to "preserve, protect and defend the Constitution of the United States"—was written into the Constitution itself. The early Presidents took most seriously their role as guardian of the Constitution; they exercised the veto power more often because of constitutional doubts than

EUGENE J. MCCARTHY is the former Senator from Minnesota and Democratic presidential candidate. He is chief spokesman of the Committee for a Constitutional Presidency, a group which plans to run an Independent ticket for President and Vice President in 1976.

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THE COMMUNAL CATHOLIC

MICHAEL NOVAK

Over the years, the Catholics of the East, I think, have sold Andrew Greeley short. He never had quite the as-tringent, reserved and disciplined style we admired; he never quite hit the right Eastern notes. But the years prove a great deal that events of a single season do not; a human being is measured, after a time, by the full weight of his contributions, by the whole rounded picture of what he has been attempting.

Some years ago, Greeley's columns used to use an image of me (or of my friend, Daniel Callahan) as a voodoo doll in which to punch needling asides; my mother, a little troubled, used to mail them to me underlined. Recently, since I began to write on ethnicity, Greeley has been more kindly. (It will not last; he loves, as I do, independence.) At about the same time, I began to read Greeley with a new kind of interest and respect; his books on ethnicity led to others.

John Cogley first pointed out to me that Greeley has, probably, the greatest natural vein of journalistic talent of any American Catholic; he is a natural-born pamphleteer, a polemicist who writes quickly, crisply, colorfully. Francis X. Murphy recently likened him to Belloc and Chesterton. In his mixture of truly scholarly and, on the other hand, ephemeral and topical prose, the only comparable American figure might be Orestes Brownson. Greeley's practice of the intellectual life, at least, is rather like theirs: wide-ranging, combative, various, restless, seeking almost always the intelligent general reader. He is not abashed to write and think outside his field as an intelligent amateur as though with a nineteenth-century European disdain for mere professionalism.

Greeley's interpretations of the life of the spirit in our age, at least among Catholics (and perhaps especially among the much freer, less beaten

down, and more flexible Catholics of the Midwest) has often flashed with provocation and insight. His recent essay on Mary in the *New York Times* is a lovely jewel.

There are criticisms I would make of Greeley's work, and there are writers of our generation whose talents or achievements in some respects I hold in higher esteem. But intellectual historians of the future will note with awe the inventiveness and solidity of the central core of his work, and the many brilliant pieces he has fashioned in a staggering number of different areas. He may be the most central Catholic writer of our era. (Rosemary Ruether's extraordinarily large output and range marks her as another on whom future historians will be obliged to comment with more esteem than her contemporaries have shown.)

A recent essay of Greeley's in the *National Catholic Reporter*, "The Communal Catholic" [Nov. 1], gave final impulse to my re-evaluation of Greeley's corpus. The context of that essay is important.

Intelligent Catholics are in the midst of an extraordinary re-assessment, even more promising than during the period of the Council a decade ago. Then, by comparison, matters were easier: It was "rejuvenation" versus "immobilism" and let the fur fly. Today, it is much more a matter of sorting out the wheat from the chaff on all sides. Then it was, so to speak, left-wing versus right-wing; today, there are fascinating arguments both on the left and on the right. It is not so clear where fidelity to the Catholic people, and fidelity to humanity itself, truly call. Good people are choosing different battlecries, different allies, and different tactics. In all the commotion, what really is worth basing one's life upon?

Greeley distinguishes rather sharply between Catholicism as an ecclesi-

astical institution in America (including subsidiary, independent, laity-controlled institutions like the *National Catholic Reporter*) and, on the other hand, Catholics as a collectivity within American pluralism. The latter is a "Catholic community" in roughly the same way that there is a "Jewish community," "black community," or "Bible Belt Protestant community." Catholics, he says, have not as clearly observed this distinction as other collectivities have. In other collectivities, many non-ecclesiastical organizations are considered valid spokesmen for the community, within it and outside it. Catholics have tended to let ecclesiastical officials speak for Catholics.

Greeley now predicts that other centers of power will arise among Catholics, other centers of self-consciousness and self-awareness. The ecclesiastical center will decline in influence; "communal Catholics" will grow in influence.

Many respondents to Greeley's article suggest that the children of communal Catholics will drift away. They miss the most important point Greeley is making. Let me put it in my own words: to be a Catholic is not so much to belong to an organization as to belong to a people. It is, willy-nilly, even without having chosen it, to have a differentiated point of view and sensibility, to have participated in a certain historical way of life, to have become a different sort of human being. Children of Catholics will almost certainly share in these differences for generations to come, unless quite dramatic steps are taken to blot the differences out. Mere "drift," mere explicit rejection, will not do it.

Each generation, to be sure, is different in some respects from the preceding. What makes the Catholic people so historically tough and pertinacious, however, is their realism and their

(Continued on page 341)

Yet the final limit is low enough to prevent effective challenges in some districts. Consider a liberal candidate who is running in Manchester, New Hampshire—the city of the *Manchester Union Leader*, which day after day supports conservative officeholders and candidates.

Representatives who are running for re-election are given no handicap—despite their built-in advantages of Congressional staff, district offices, Library of Congress research service, government-supported newsletters, and so forth. Incumbents can spend as much for direct campaign costs as can their challengers; the plain effect of this is discrimination against challengers.

Even some members of the Congress who supported the bill as a whole expressed serious reservations about its favoritism toward incumbents. Senator James Buckley of New York, who opposed the bill, called it the “Incumbent Protection Act of 1974” and said, “To offer this bill in the name of reform is an act of unprecedented cynicism.” The conservative Buckley added, “It is particularly disturbing that Senators who had heretofore been considered civil libertarians have rushed to support this measure without considering alternative means, less drastic in their scope, of accomplishing their purposes.” Alluding to the Constitution’s guarantee of free speech, Buckley said that:

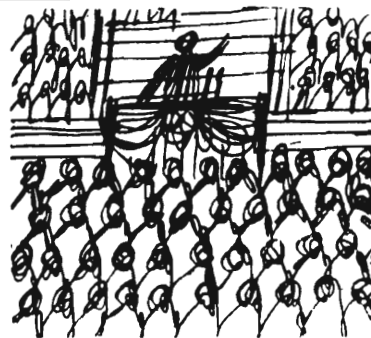
The fear of overly persuasive campaigns, particularly when expressed by incumbent members of Congress, strikes dangerously close to prohibited suppression of speech because of its content. It must certainly give the Supreme Court pause when they see officeholders with vested interests in remaining officeholders passing legislation that restricts the ability of potential opponents and average citizens alike to alter the political makeup of the Congress.

Although the discrimination against challengers is most evident in the case of House campaigns, it also appears in Senate campaigns and even in Presidential campaigns. The publicly-subsidized advantages of an incumbent President are rather obvious. Less obvious, but still significant, are the advantages of an incumbent Senator who runs for the Presidency. A recent *Atlantic* article on Senator Henry Jackson, a frontrunner for the Democratic nomination in 1976, said that Jackson’s regular Senate staff, Interior Committee staff, and subcommittee staff amounted to 85 persons. The background research and the publicity that such staff people provide—at taxpayers’ expense—is very great. And it is quite legal and proper for Senator Jackson to use them directly for his Senate duties and thus indirectly for his Presidential campaign. But a Presidential candidate who is not in public office must try to match this staff capacity with campaign money that is subject to strict limits. In realistic terms, Senator Jackson may well be 20-30 staff members ahead of any non-incumbent challenger. He is also well ahead of other incumbent Senators, since

his seniority gives him control over many more staff people than most Senators have.

The new law also discriminates against poor and middle-income candidates. An individual can contribute no more than \$2,000 to another person’s campaign for federal office (\$1,000 in the primary and \$1,000 in the general election) and no more than \$25,000 to all other persons’ campaigns for federal office. Yet a wealthy Presidential candidate can contribute \$50,000 to his own campaign; a wealthy Senate candidate can contribute \$35,000 to his own campaign; and a wealthy House candidate can contribute \$25,000 to his own campaign. The law thus includes class discrimination among its inequities.

Why shouldn’t a non-wealthy candidate be permitted to receive from someone else one \$50,000 contribution for a Presidential campaign; or one \$35,000 contribution for a Senate campaign; or one \$25,000 contribution for a House campaign? The argument for allowing a wealthy candidate to contribute more to his own campaign holds that such a person represents only himself.



Yet elected officials are supposed to be representatives of their constituencies, as Gerald Ford suggested when he reportedly said of his record in the Congress: “Forget the voting record. The voting record reflects Grand Rapids.” (On becoming Vice President and then President, he indicated that he was his own man. Subsequently, in his first address to the Congress, he suggested that he was everyone’s man. And when he pardoned Richard Nixon, Ford referred to himself as “a humble servant of God.”)

George E. Agree, who has studied campaign finances for the Twentieth Century Fund, notes another kind of class discrimination in the new law. Candidates running in Presidential primaries will be entitled to public funding on a matching basis once they have raised \$100,000 in relatively small, private contributions from at least 20 states. Each private contribution up to \$250 will then be matched by a government contribution. In a *New York Times* article of October 28, 1974, Agree remarked that this “enables a rich donor to trigger 250 times as much public funding as a poor donor who may only give \$1. Twenty thousand rich people could com-

for any other reason. The Constitution also provides that members of the Congress "shall be bound by Oath or Affirmation, to support this Constitution"; and the wording of their oath of office is prescribed by statute. The traditional reluctance of the courts to strike down Congressional legislation—even when the justices have grave doubts as to the constitutionality of a law—should make members of the Congress more keenly aware of their own responsibility to the Constitution.

Why, then, did the legislative and executive branches of the government evade their responsibilities in the case of the campaign finance law? One reason was that various reform groups exerted great pressure for passage of the law. Abuses revealed in the Watergate hearings moved many citizens and organizations to support reform of any kind. While their concern was justified, some of them supported cures that are worse than the sickness.

A second reason for passage of the bill was suggested by President Ford in the formal statement released at the time he signed the bill: "I am pleased with the bipartisan spirit that has led to this legislation. Both the Republican National Committee and the Democratic National Committee have expressed their pleasure with this bill, noting that it allows them to compete fairly."

It is assumed that if a proposal has bipartisan support, it is good. Why?

In any case, the two party committees were right in expressing pleasure. The new law may not provide fair competition between the two of them, but it effectively limits competition from any new group.

Anyone who has watched the two parties operate on a state level should not be surprised when they act as a trade association on the national level. The two have long cooperated in passing state laws which discourage Independent candidates and new parties from presenting effective challenges. The new campaign finance law is a logical extension, at a higher level, of the trade association's prior activities.

The new law's discrimination against Independent candidates and other outside challengers is most clearly apparent in the provisions for Presidential elections. The law provides public funding, through the tax check-off system, of \$2 million for the next Democratic national convention and \$2 million for the next Republican national convention. The rationale for this is that it will prevent the temptations presented by the old system of financing conventions by selling to large corporations advertising space in convention program books. The major parties, having committed some rather major sins, are to be protected from temptations rather than tested and held responsible.

What the law defines as a "minor party" would be entitled to a smaller convention subsidy; but no existing party meets the law's definition of a "minor party." That definition includes only a party which won at least

5 percent of the votes in the last Presidential election. None of the smaller parties which competed in the 1972 Presidential election won that high a percentage of the vote.

The Presidential nominee of each major party will receive \$20 million in public funding for the general election campaign in 1976. Minor parties could receive a smaller subsidy—if there were any minor parties. The law's careful provision for non-existent minor parties may have been patterned on a scene from *Alice's Adventures in Wonderland*:

"Have some wine," the March Hare said in an encouraging tone.

Alice looked all round the table, but there was nothing on it but tea. "I don't see any wine," she remarked.

"There isn't any," said the March Hare.

Theoretically, an Independent Presidential candidate or the candidate of a "new party" (one that has just formed or one that received less than 5 percent of the vote in the last Presidential election) might be eligible for some public funding—but not until after the general election, and even then would be eligible only if he or she had obtained at least 5 percent of the vote, and even in that case would not be eligible for the same amount received by major-party candidates unless winning the average of their vote. An Independent or third-party candidate could in fact run second in a three-way race and receive a smaller share of federal funds than the privileged party candidate who had run third.

Quite apart from the deeper issue of discrimination is the question of whether public financing of campaigns is a good thing. There is a basic conflict and danger in having the government itself strongly influence the political process by which it is chosen.

A proposal to have the federal government finance political activities—especially party activities—would have lasted about five minutes at the Constitutional Convention. It would have been rejected as a repudiation of the basic theory of democracy. One-hundred and eighty-seven years later, the proposal is still contrary to the theory of democracy—and also, I believe, unconstitutional. As noted previously, even Democrats and Republicans in the Congress—and President Ford—seemed to be worried about its constitutionality.

The new law also discriminates against those citizens who wish to challenge incumbent members of the Congress. (There is no public funding for Congressional candidates, but there are severe limits—beginning in 1975—on campaign spending by such candidates.) This is a special problem in the case of House incumbents. The law initially limits House candidates to spending \$84,000 in a primary election and \$84,000 in a general election. An inflation escalator clause raises the initial limit; and a provision allowing political party contributions in general elections raises the limit even higher.

LUTHER AND THE SYNOD

JOHN P. HIGGINS



The German Hercules comes to Rome

A 1522 cartoon by Holbein depicts Martin Luther as the German Hercules, wielding a club against the prostrate scholastic philosophers and theologians whose intricate Gothic structures Thomas More's portraitist (for Holbein had an ecumenical taste in minds) and many of the contemporaries felt that the recently excommunicated monk was doing yeoman work in demolishing. Luther's crucial insight into Romans that the just man lives by Faith led him to say later, "I felt as if the gates had opened before me into Paradise." Luther's "Tower Experience" which took place sometime between 1513 and 1519, caused him to explore the link between Faith and human liberation. The whole process was intensified in the months after the monk's initial protest against the peripheral matter of indulgences in October, 1517.

Before John Eck, the sixteenth century's equivalent of William F. Buckley, Jr., and assorted other curial jackals harried the young Augustinian to his wits' end, Luther made one last effort to stay aboard the Bark of Peter. In September, 1520, he wrote a pamphlet which he dedicated to Leo X, the sleek Medici dilettante who was to lower the boom of excommunication on the Wittenberg monk a year later with his bull, "Arise, O Lord, a wild boar has invaded thy vineyard . . .": Leo was fond of the hunt, so the metaphor came naturally. One doubts if he read Luther's last appeal. In the light of the bishops' concern with human liberation and evangelization at their recent synodal meeting in Rome, it seems significant that Luther's pamphlet, "The Freedom of a Christian Man" also deals with the central theme of human liberation imparted by Faith in Christ.

Holbein's cartoon showing Luther as the scholastic giant-killer appeared the year after Luther's excommunication, and graphically shows that the artist and a large number of other Europeans were burning their bridges behind them. It is painful for a Catholic today to realize that the tragedy need never have come to the denouement pictured by Holbein if matters had been handled

more sympathetically and tactfully. Not that Luther was an angel: his two other pamphlets of 1520 are written in acid. But Rome has never understood Germans: the recent processes against K  ng and P  rtner are ample evidence of a continuing triumphalist tradition of curial myopia.

As the bishops sifted through the wreckage of the '60s at their recent synod, it would appear that they have found the priceless pearl of the liberating message of the Gospel. The pre-Reformation Church, which nurtured Luther and from which he emerged, had repression and not liberation as its stock in trade. The norms of European culture were at least verbally Christian but more often than not honored in the breach rather than the observance. The Roman Church was pervaded by deep theological confusion, and its efforts at evangelization, feeble as they usually were, were undergirded by threats and worse to the dissenter.

In his last months as a Roman Catholic, it is significant that Luther's thoughts were on liberation in Faith from over-ripe structures. Today, the bishops address a society that is secular and sometimes even atheistic in its cultural values. One does not have to read *The Little Red Book* or Beckett's latest play to realize that the banality and desperation of it all find an echo in the collapse of Christendom at the Reformation.

A thoroughgoing secular society was but a gleam in Machiavelli's eye when his German contemporary strove to redirect the concerns of the Christian to the liberating message of the Gospel as formalism threatened to choke its expression in the contemporary Church. In our own age, Machiavelli (or, more properly, the sea-change his thought has undergone over the centuries) has triumphed. In the face of this, the bishops state that "we intend to collaborate more diligently with those of our Christian brothers with whom we are not yet in the union of a perfect communion, basing ourselves on the foundation of Baptism and on the patrimony which we hold in common. Thus we can henceforth render to the world a much broader common witness of Christ, while at the same time working to obtain full union in the Lord." Such collaboration as the bishops suggest might include looking at Luther's comments to Pope Leo before his excommunication.

JOHN P. HIGGINS, who received his Ph.D. in Reformation history from Ohio State last year, was a Fulbright Fellow in Germany in 1967-68.

mand the same \$5 million of tax money as five million poor people."

What the law defines as "multi-candidate committees" are also favored over individual citizens. While an individual may contribute only \$2,000 to a Presidential or Congressional candidate, a group like the dairy committee, the AMA committee, or COPE is allowed to contribute \$10,000 (\$5,000 in the primary and \$5,000 in the general election). Moreover, there is no limit on the total amount that a multi-candidate committee can contribute to all campaigns. This loophole is particularly interesting because some of the worst abuses in the 1972 campaign were connected with multi-candidate committees.

The Senate version of the campaign finance bill included specific provisions against voting fraud, which is the most direct kind of political corruption. The conference committee deleted those provisions and gave no explanation for its action.

The conference committee emerged with the worst of all possible worlds: It underwrote the two major parties at precisely the time when more and more voters deserve and want another alternative; it practically guaranteed that incumbents will remain incumbents; it provided special loopholes for wealthy candidates and for multi-candidate committees; it dropped the provisions against voting fraud; and it provided such severe restrictions on individuals' participation as to discourage many citizens from participating in politics at all.

The last feature of the new law is one of the worst. Voter participation in Presidential elections has declined steadily since 1960. Unfairness in the delegate selection process has discouraged participation in primaries by many citizens. State laws which discriminate against Independents and against new-party candidates have discouraged others. The new federal campaign law—as well as some of the more severe state laws on campaign finance—may well increase the barriers to citizen participation. The new federal law is over 40 pages long and very complex. It raises fines for violations up to \$25,000. How many volunteer treasurers for Congressional campaigns want to assume that kind of liability, in addition to the possibility of a one-year jail term? For that matter, how many challenging candidates want to assume that kind of liability? Anyone who must operate at all times with an accountant on the right hand and a lawyer on the left hand is likely to be discouraged from participation, to say the least.

Those who worry about citizen apathy should remember that fear is often a major component of apathy. Some people are afraid to speak out at public meetings because they think (often with good reason) that their neighbors will react with hostility. Some are afraid to write letters to editors for the same reason. Some are now afraid to become involved in any financial aspects of a campaign because of the increased complexity of

the law—which makes unwitting violations far more likely—and because of the increased penalties for violations. And some now hesitate to contribute because of requirements for disclosure of relatively small contributions. Thus the Socialist Workers party recently sought exemption from a Minnesota disclosure law, citing past harassment of party supporters by the FBI.

Disclosure of large contributions can be defended in the public interest. But one might question the new California requirement that any contribution over \$50 must be reported. Requiring disclosure of contributions is, in a sense, an invasion of the secret ballot. There are cases in which the public interest is sufficiently compelling to override one's private interest in the secret ballot, but I am not certain that \$50 is the proper place to draw the line. The federal requirement (in both the old and the new laws) that any contribution over \$100 must be disclosed seems more reasonable—although the suggestion that a candidate will sell out for \$101 is an insult to his integrity.

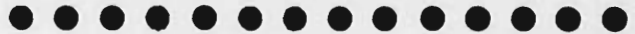
Democracy involves some risk and some trust, especially in the election process. We have been warned against attempts at over-control by at least two poets. In the sixteenth century, William Shakespeare wrote in *Measure for Measure*, his greatest political drama:

Escalus: What news abroad i' the world?

Duke: None, but that there is so great a fever on goodness, that the dissolution of it must cure it; novelty is only in request; and it is as dangerous to be aged in any kind of course as it is virtuous to be constant in any undertaking. There is scarce truth enough alive to make societies secure; but security enough to make fellowships accursed: much upon this riddle runs the wisdom of the world. This news is old enough, yet it is every day's news. . . .

And in our own century, William Stafford wrote in his poem "Connections":

And if we purify the pond, the lilies die.



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Blessed are the peacemakers; they shall be called the children of God

By Eugene J. McCarthy

THE PEACEMAKERS may well be recognized in the latter day and be called the children of God; but meanwhile they are receiving secular recognition, and peacemaking has become something close to an international civil service.

Of all the beatitudes, this is the only one that receives a prize, provided and sustained by the torture and good will toward men of the inventor of dynamite. The 1973 award of the Nobel peace prize went to Henry Kissinger for his part in ending direct United States participation in the Vietnamese war, a war he had supported and in part directed. It was reported that President Nixon felt he should have received the award, since he was president when American troops came home and because he had had more to do with the conduct of the war than had the secretary of state.

Peacemaking has become so popular that it has all but absorbed all the corporal works of mercy and some of the spiritual works. It is not enough under current practice to simply feed the hungry; rather, we have a "Food for Peace" program. In 1967, a time of intense American involvement in Vietnam, the United States sponsored an international conference on "Water for Peace." President Ford has come very close to suggesting that his limited amnesty for draft resisters and deserters (a form of ransoming the captive) is a peacemaking project.

"Peacemaking" has become a linguistic substitute for "warmaking" and for "military action."

While American troops were still in Vietnam, the word "peacemaking" in its Latinized form of "pacification" was taken over by the military, the CIA and the Special Forces. It now encompasses a wholly different set of methods from those traditionally associated with peace and peacemaking. The new meaning is close to that given in George Orwell's 1946 essay, "Politics and the English Language," in which he warned against the introduction of Latinized words. In its Orwellian redefinition, "pacification" includes bombing villages and burning huts, machine-gunning cattle and driving the villagers out into the countryside.

As part of peacemaking in Chile, the Latin-derived word "destabilization" was used.

The United Nations military forces are called "peace-keeping forces."

We have not yet called our military department the Department of Peace, although there has been talk of "arms for peace" in one or two of our overseas involvements. And we have moved away from calling the military department — quite honestly — the War Department; we now call it the Department of Defense. Who knows what the next step may be — especially as there is a movement to establish a Department of Peace?

While peace is espoused, those members of the Senate who have been peace advocates, if not peacemakers, have often fared badly with their own parties and with

the electorate. The late Senator Ernest Gruening of Alaska — one of the first to speak out against the war in Vietnam — was defeated in a primary. The late Senator Wayne Morse, an early opponent of the war, was strongly opposed within his own party and, suffering from the intraparty wounds, was defeated in the general election. Senator Ralph Yarborough of Texas suffered the same fate, although the campaign against him emphasized, in addition to Yarborough's opposition to the war, the fact that he had also voted against a constitutional amendment which would have allowed prayer in public schools. The stronger position in the primary seemed to be a combination of being prowar and proprayer.

Meanwhile, our new president is Gerald Ford, whose principal criticism of the war in Vietnam was that it was not fought vigorously enough, especially as to the use of air power. This position was also taken by Senator Henry Jackson, who is considered to be one of the front-running candidates for his party's presidential nomination in 1976.

In contrast, nonwarlike endeavors are presented as wars and described in the language of conflict. We have had war on poverty, war on ignorance, war on cancer. The newest war is the one on inflation, which President Ford has described as "public enemy number one," and which he says we will "lick."

It is curious that political leaders resort to the language of war in dealing with nonmilitary problems, when the problems are of another order. It is especially surprising because in recent years the resort to war as a means of accomplishing international goals has not proved very effective. The contradiction suggests that we still think of war as the sure way to reach national goals and that even the advocacy of other means is little more than rhetorical cover for our real commitment and belief.

At issue in the whole inquiry into methods in the affairs of government are the two orders of means defined and distinguished by Jacques Maritain. In his book *Man and the State*, Maritain recognized one order of means involving agitation, violence and war. But he wrote also of "quite another order of means . . . the spiritual means systematically applied to the temporal realm." He said:

... it is to be recognized that there are two different orders of means or warfare (taken in the widest sense of the word), as there are two kinds of fortitude and courage, the courage that attacks and the courage that endures, the force of coercion or aggression and the force of patience, the force that inflicts suffering on others and the force that endures suffering inflicted on oneself. . . .

The spiritual means, wrote Maritain, "while being the most difficult . . . are also by nature the most powerful means."

Whether they are or not, they are the means the peacemakers of the beatitudes were expected to use — and for which they were to be rewarded.

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August 22, 1975

Letters to the Editor
WASHINGTON POST
1150 - 15th Street, NW
Washington, D.C.

Dear Editor:

A few words about the POST editorial supporting the Court of Appeals decision on the campaign act:

Suppose the Congress of the United States passed a Newspaper Reform Act which limited the amount of money the POST could raise and the amount it could spend; which granted government subsidies to some newspapers but not to others; which forced disclosure of names, addresses, and occupations of certain POST subscribers; and which established a Newspaper Commission that claimed the right to audit the POST's financial records upon demand. I suspect the POST would say that such an act violated freedom of the press.

This is precisely what the new campaign act does to political campaigns. The press should look to the protection of free speech in politics, if only because the press could be next in line for governmental control.

Common Cause, congressional liberals who voted for the campaign law, and newspapers which have supported it should all remember the scene in "A Man for All Seasons" in which Will Roper said he would cut down every law in England to get the Devil (for some liberals are willing to cut down the Bill of Rights in order to end corruption). Thomas More replied, "Oh? And when the last law was down, and the Devil turned round on you--where would you hide, Roper, the laws all being flat? This country's planted thick with laws from coast to coast...and if you cut them down--and you're just the man to do it--d'you really think you could stand upright in the winds that would blow then?"

Sincerely,

/s/ Eugene J. McCarthy

Eugene J. McCarthy

EJM/mtm

[This letter was printed in the WASHINGTON POST of August 28, 1975.]

Campaign-Finance Law Angers McCarthy

Federal Control of Politics, He Says, Is Only a Step From Control of Freedoms

BY EUGENE J. MCCARTHY

The 1974 campaign-finance law is the most comprehensive effort to control politics in the history of our country.

The law places severe limits on the amount of money a candidate can raise and spend. It also limits the amount of money a volunteer can spend for incidental costs of campaign work, such as transportation and telephone calls and office supplies. It even limits the amount of money an individual can spend—independently of any campaign—for or against a candidate.

As the law now stands, the Los Angeles Times is free to devote any amount of editorial space to support or oppose a candidate for federal office. But no individual may buy a Times ad costing more than \$1,000 if that ad clearly supports or opposes a candidate. Thus, the editorial departments of newspapers hold a favored position under the campaign law.

Because the controls which the campaign law applies to candidates do not cover the press, many newspapers have been slow to recognize the dangers of the law. Many have accepted the idea that too much money is spent on election campaigns and that there should be strict spending limits. Yet, if this argument is accepted for candidates, it can also be applied to the press. And if the country accepts this kind of government control over the political process—which is essential to our diversity of ideas—there is no reason to believe it will stand against government control of the press—which is equally essential to our free system.

With a slight addition to the law, the Federal Election Commission could say this to leading political reporters: "Sorry, Johnny Apple and Jules Witcover, you can't cover President Ford at the Republican National Convention. You exhausted your word allotments on the California primary." Or: "Ken Reich, you're not allowed to cover the general election. It may be only August, but you have already written to the limit." Imagine Spiro Agnew's joy over the ultimate directive, "Walter Cronkite and David Brinkley, we can't allow you to speak about the election beyond September. It's all over; there is nothing left in your word account."

Congress could go farther than this, of course. It could decide that newspapers need as much reform as politicians need. It could

pass a Newspaper Reform Act, limiting the amount of money a newspaper could raise and the amount it could spend, requiring disclosure by stockholders who have more than \$100 worth of stock, and establishing a Federal Newspaper Commission that claims the right to audit any newspaper's financial records upon demand.

Members of Congress might conclude that private advertising is a source of corruption in newspapers, and limit to \$1,000 the amount that any business could spend for an ad. They might even decide that public financing of newspapers would be the best way to avoid the corrupting influence of private money.

But if they follow the same line of reasoning they have used about political movements, they would establish safeguards against "frivolous" newspapers raiding the public treasury. They might grant eligibility for public funding to those papers with the highest circulation figures, much as campaign funding goes to candidates who can show a certain level of financial support.

Thus, the New York Daily News and the Los Angeles Times might be eligible for subsidy, while the smaller-circulation New York Times and Chicago Tribune might not. But the papers with smaller circulations would still be subject to the limits on advertising which applied to the subsidized papers.

The subsidy possibilities are unlimited. Congress might decide that television stations are too subject to improper influence by large advertisers. If we are to have a two-party system, why not a two-network system? The chosen networks could receive handsome subsidies, with all others left to shift for themselves.

Or Congress could go the last mile against the First Amendment by establishing and subsidizing the two biggest religions, Malcon-

tents could be told, "You have nothing to complain about; you are free to be Baptists or Catholics."

Those who accept the campaign law because its limits apply principally to politicians, rather than to the press or religion, should remember Pastor Niemoller's experience of failing to resist tyranny until he became its victim.

There is another warning in the play, "A Man for All Seasons." Will Roper said that he would cut down every law in England to get the Devil (just as some Americans are willing to cut down the Bill of Rights in order to end corruption).

Thomas More replied: "Oh? And when the last law was down, and the Devil turned round on you—where would you hide, Roper, the laws all being flat? . . . if you cut them down—and you're just the man to do it—do you really think you could stand upright in the winds that would blow then?"

THE CASE AGAINST A MILITARISTIC FOREIGN POLICY

Following his participation as a principal discussant at the Center conference on Reform of the Electoral System, Senator Eugene McCarthy was interviewed at length by CENTER REPORT's editor on another topic: the depletion of the nation's resources and the debilitation of its economy by the military. McCarthy,

an economist and former member of the Senate Foreign Relations committee, built the case for drastic reductions in the defense budget, an end to a militaristic foreign policy, and redistribution of work. CENTER REPORT asked McCarthy to transpose what he said at the Center into the article which follows.

In the 1968 campaign I tried to establish the fact that what was then happening and had been happening in Vietnam was a projection of the militaristic foreign policy which began at the end of the Korean war. No one wanted to listen when I warned about the long-range hazards of a militaristic foreign policy. The issue for most voters then was disengagement from the war in Southeast Asia.

We are now disengaged, but our militaristic foreign policy still remains. This year, each American citizen received a "tax rebate" averaging around \$250. In the fiscal year 1976 each American will give back around \$430 for the military. The total take is somewhere in the vicinity of \$100 billion.

I was a Congressman in the late 1940s. We reduced the military budget to roughly \$12 billion. What happened at the end of the Korean War? Military expenses remained quite high. By the time Eisenhower concluded his second term, the "brinkmanship" policy of John Foster Dulles had created what we must now hold liable for our economic problems — a *militaristic* foreign policy. When Eisenhower, in his farewell address, warned against the military-industrial complex it was too late. The Pentagon was solidly entrenched. During the Kennedy-Nixon Presidential campaign the Democrats and Republicans vied with each other in making promises about which could build the strongest "defense."

John Kennedy tried to convince the electorate that the Eisenhower Administration had neglected the national defense, arguing, for one thing, that a widening "missile gap" threatened our security, despite facts indi-

cating that there was no such gap. His Secretary of Defense, Robert McNamara, advanced the expensive theory that the country must be prepared for two-and-a-half wars: (1) nuclear war; (2) conventional war; (3) guerrilla warfare to be carried out principally through the Special Forces.* Some of us in the Congress, but not nearly enough, opposed McNamara. Others thought that preparation for two-and-a-half wars would be good for business as well as for national security. At that time Mainland China was on the major menace list, although how she could pose a viable threat to the U.S. or to Japan or to Taiwan, torn internally and on the brink of a disastrous "cultural revolution," as she was, baffled some Americans.

So we continued to over-consume money and credit, over-consume food, over-consume oil, over-consume metals — all in the name of national defense. Robert McNamara and Lyndon Johnson reassured almost everyone in the Congress and the country that we could fight two-and-a-half wars and "still have butter." Now, under Ford, with food and energy costing us more than we need to pay, a militaristic foreign policy still prevails. Ford has no war to fight and none in sight; yet he asked for and

got the highest military budget in history.

Military appropriations of this magnitude represent a most serious form of misplaced concreteness. They are distorting our economy, the flow of goods and services, the distribution of jobs, and the quality of everything in our lives.

Is this process irreversible? I think not. The change has to begin with the United States. There is no doubt that we could make a unilateral decision, for example, on reduction of nuclear weapons. Right now, even if we accept the most conservative estimates, the United States has enough nuclear weapons to destroy all the Russian centers of power and population fifteen times over. It is obvious that, after we have the ability to destroy what we define as our principal enemy once or twice over, we should cut back. We don't need to destroy them *thirteen* more times. Why concern ourselves about a treaty with the Russians on the maximum allowable number of nuclear weapons — under the SALT talks — when we already have enough nuclear weapons? It makes no difference what the Russians do or don't do. If they want to go on building weapons to protect themselves let them go ahead. The Russians do worry about the Chinese, about the Germans, and of course, the Americans. Why not accept this and say: "All right, the Russians want twice as many warheads as we have in order to protect those three flanks. We don't need twice as many as they do. They can't drop twice as many on us. It wouldn't do any good. We don't have to be prepared to fight Russia and all of her potential enemies."

*These Special Forces represent a curious sort of military counterpart of the Central Intelligence Agency — the CIA being a kind of pseudo-secret special operation of the State Department. The Special Forces are something of the same kind — separated and divorced from the kind of surveillance the military receives from the Congress. They are also freed from the accepted rules of international warfare. They have a methodology of their own, much the same way as the CIA has developed a methodology of its own.



EUGENE McCARTHY

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THERE IS NO SUCH THING AS A SECRET CAMPAIGN FOR PRESIDENT, BUT...

WE HAVE A SECRET, AND

THE PRESS IS KEEPING IT A SECRET.

THEY KNOW, BUT THEY WON'T TELL.

WE BELIEVE IN FULL DISCLOSURE,

IN THE RIGHT OF PEOPLE TO KNOW,

SO WE WILL TELL:

EUGENE McCARTHY, INDEPENDENT CANDIDATE FOR PRESIDENT OF THE UNITED STATES, IS MOVING ACROSS THE COUNTRY AND HIS SUPPORTERS ARE EXERCISING THEIR CONSTITUTIONAL RIGHT TO PLACE HIS NAME ON THEIR STATE'S BALLOT IN NOVEMBER BY PETITION.

THIS IS THE STORY:

PETITION CAMPAIGNS COMPLETED:

<u>STATE</u>	<u>FILING DEADLINE</u>	<u># OF SIGNATURES REQUIRED</u>	<u># OF SIGNATURES FILED</u>
OHIO	3/25/76	5,000	8,000
KENTUCKY	3/31/76	1,000	1,700
NEW JERSEY	4/29/76	800	1,300
MICHIGAN	5/3/76	17,686	27,000
UTAH	5/10/76	300	400

-MORE-

PETITION CAMPAIGNS IN PROGRESS:

<u>FILING DEADLINE</u>	<u>STATE</u>	<u># OF SIGNATURES REQUIRED</u>
6/8/76	MAINE	10,918
6/29/76	MASSACHUSETTS	37,096
7/9/76	MARYLAND	51,950
7/31/76	MISSOURI	18,657
8/21/76	PENNSYLVANIA	30,584
8/27/76	IOWA	1,000
9/17/76	ARIZONA	5,521

PETITION CAMPAIGNS SCHEDULED:

<u>FILING DEADLINE</u>	<u>STATE</u>	<u># OF SIGNATURES REQUIRED</u>
7/13/76	WISCONSIN	3,000
8/2/76	ILLINOIS	25,000
8/4/76	ALASKA	2,958
8/4/76	MONTANA	15,938
8/13/76	RHODE ISLAND	500
8/17/76	DISTRICT OF COLUMBIA	3,000
8/24/76	OREGON	1,000
8/27/76	SOUTH DAKOTA	5,565
8/30/76	CONNECTICUT	14,093
8/31/76	ALABAMA	5,000

-MORE-

<u>FILING DEADLINE</u>	<u>STATE</u>	<u># OF SIGNATURES REQUIRED</u>
9/1/76	INDIANA	8,406
9/2/76	TENNESSEE	250
9/3/76	CALIFORNIA	99,284
9/3/76	HAWAII	3,000
9/3/76	VIRGINIA	9,022
9/7/76	COLORADO	5,000
9/14/76	MINNESOTA	2,000
9/15/76	VERMONT	1,409
9/17/76	WYOMING	6,347
9/18/76	SOUTH CAROLINA	10,000
9/21/76	WASHINGTON	100
9/22/76	NEW HAMPSHIRE	1,000
9/23/76	MISSISSIPPI	1,000
9/23/76	NORTH DAKOTA	300
9/25/76	LOUISIANA	1,000
10/5/76	NEW YORK	20,000

IN OTHER STATES, UNREASONABLE AND CLEARLY UNCONSTITUTIONAL
STATE LAWS DEvised TO KEEP AN INDEPENDENT CANDIDATE OFF THE BALLOT
REQUIRE CHALLENGES IN COURT. LEGAL EFFORTS ARE UNDER WAY IN:
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OKLAHOMA, TEXAS, WEST VIRGINIA.

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BOOK: Eugene J. McCarthy, THE HARD YEARS: A LOOK AT CONTEMPORARY AMERICA AND AMERICAN INSTITUTIONS (New York: The Viking Press, 1975, 229 pp.):

1 for \$ 9.30

BROCHURE: "The White House Belongs to You..."; blue and white; 3-fold; 5 photographs; summarizes Eugene McCarthy's political record, positions on issues, and view of the presidency:

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A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, DC. Paid for by McCARTHY '76, Mary Meehan, Treasurer.

HOW YOU CAN HELP ELECT EUGENE McCARTHY PRESIDENT

There are many ways to spread the word and to win friends and supporters for our independent campaign. Here are some ideas:

If there is a local McCarthy contact near you, we suggest that you get in touch with that person right away. Tell them that you want to help; mention any special skills you have. If you can type, paint posters, raise money, write a press release, organize a campus or neighborhood, you'll find that your skill is much needed. If you're tied down at home, but have time to make telephone calls and write letters for the cause, you have much to contribute.

You can also help with a door-to-door canvass of your neighborhood--identifying McCarthy supporters and urging them to vote on November 2nd. And please try to take election day off from school or work, so you can help by poll-watching, leafleting at the polls, or calling McCarthy supporters to remind them to vote.

If there is no McCarthy contact in your area at present, perhaps you can be the contact and start a local McCarthy group. This involves recruiting other volunteers and coordinating the get-out-the-vote drive in your area. We'll provide the necessary information--just let us know that you can serve as contact.

Whether you're joining a local McCarthy group or starting one, you can help in the following ways:

--Talk to family, friends, and neighbors about Gene McCarthy's campaign; enlist their support.

--Set up a McCarthy table at your local campus or shopping center. Duplicate and pass out our literature, sell buttons and stickers, recruit volunteers to help on election day.

--Write letters to editors of your local papers and of national magazines in support of McCarthy. Letters should be brief and very positive in tone.

--Send a financial contribution to the campaign; encourage others to do the same. Our spending habits are frugal. But we do need dollars--many dollars--to pay for television advertising and other campaign expenses. Contributing money and raising money are two of the best ways to aid the campaign!

Thank you--your help can make the difference!

A copy of our report is filed with, and available for purchase from, the Federal Election Commission, Washington, DC. Paid for by McCARTHY '76, 1440 N Street, NW, Washington, DC 20005; phone: 202/737-4900; Mary Meehan, Treasurer 9-76

McCarthy on the Issues: ABORTION

"The question of abortion is essentially one for the individual's moral decision. The state ought not to interfere, except within the limits of the 1973 Supreme Court decision.

With that exception, the government should remain neutral on the question of abortion. Just as it respects the consciences of those who support abortion, it should respect the consciences of those who oppose it.

--Statement by Eugene McCarthy, Washington, DC, April 2, 1976.

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McCARTHY ON THE ISSUES: AMNESTY

"The President could ask quite directly for amnesty--and, I think, should. It is rather contradictory to have our spokesmen at the UN demanding that every other nation release their political prisoners, but we won't let our political exiles come back. It seems to me there is a certain correspondence there. An exile is a political prisoner. If at the UN we would say, 'Look, we're going to let our exiles come back. You let your people loose inside, and we'll have a happy relationship.' A President could declare amnesty and the public would accept it immediately."
--Remarks by Eugene McCarthy at Religion and the Presidency Conference, Washington, DC, January 19, 1976.

"And I think that as of now we should have amnesty. And I think it's amnesty--not pardon. I don't like redefinitions. I mean, amnesty is a good word; it has long standing. It says, 'We will forget and not hold anyone responsible, those who acted on one side or the other.'....

"This is really where it is. And I say we should have amnesty for those who refused the draft and also for those who went absent without leave. Only people who deserted under fire, it seems to me, should be subject to a personal review and examination.

"But this would be good for the country. It is in the tradition of Abraham Lincoln and the Civil War--and especially since it involves a war in which nobody quite knew where the moral right was at a certain point." --Remarks by Eugene McCarthy at the National Town Meeting, Washington, DC, July 7, 1976.

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McCARTHY ON THE ISSUES: BUSING

"The failure of Congress and the President to take the initiative on civil rights forced the courts to act. This often meant that there was no administrative machinery or supporting legislation to sustain the court decisions. So there was an imbalance between what the courts ordered and what was carried out. The result was great friction, as in the case of busing."
--Eugene McCarthy, The Hard Years (The Viking Press, 1975)

"It's a question of whether or not you support the courts. And my position has been: Once Congress moved into the area of so-called de facto segregation, Congress should have had a public debate and laid down some guidelines by statute. Congress and the President didn't do it. They have left it with the courts. So as I see it, the only position for a President to have right now is to support the courts. You may question a judicial decision here and there; but overall, support of the decision is the only defensible position for a presidential candidate to take.

"Now, we know that busing is not the best remedy, that you can't just have desegregation in schools and then have children go back to segregated communities--or go back to a society in which, when they're out of school, they will in effect be segregated in employment."

Q. "But how would you as President guarantee the schools wouldn't be segregated if the community objected to busing, vis-a-vis Boston?"

A. "Well, I think that if the courts fail to continue to act, then we need legislation. I think in the period we are in now that the courts have moved ahead of where Congress might have moved. And I think we'd have to give the court process a fair run for another few years, the same way this more or less happened in voting rights. In that area, the courts acted first and then the Congress filled in with legislative support and with financial support. The same thing I can see happening with reference to desegregation of the public schools." --Statement by Eugene McCarthy, Washington, DC, March 17, 1976

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MCCARTHY ON THE ISSUES: CIVIL LIBERTIES

"The complexity of life today calls for redefining the liberties guaranteed by the Bill of Rights. In the early days of our Republic, freedom of speech and press meant the right to say something in a public square or to publish a newspaper or pamphlet. Now it must also deal with government censorship and with concentrated control of newspapers and broadcast media.

"Freedom of assembly in 1776 related to simple meetings. Now it must deal with demonstrations, protest marches, and the right to belong to protest groups. FBI harassment of various political groups infringed upon freedom of assembly. So did CIA and army spying on organizations and individuals....

"When the Bill of Rights was adopted, the right of privacy meant that a warrant must be obtained to search someone's house and that the government could not quarter troops in the homes of its citizens. Today the right of privacy is threatened by a complicated technology of spying. Both the government and private detectives have violated the right of privacy by wiretapping and bugging. We must challenge these practices. We must also raise questions about the security of personal information held by government agencies like the Social Security Administration and the IRS and by banks and telephone companies." --Prepared Remarks for Speech in Mobile, AL, 2/25/75

"Recent reports on abuses of power by the CIA, the FBI, and the IRS should not come as a surprise to anyone who has observed those agencies closely over the years. Many members of Congress--both Republicans and Democrats--ignored evidence of abuses so long as the agencies seemed effective in their work and so long as the officials in charge seemed sincere. The Constitution and the Bill of Rights provide harder tests than mere effectiveness or sincerity. And the record of history shows that many bad things have been done by sincere people who thought that their ends justified the methods that they used.

"There have been many proposals for new laws to end all abuses. We already have too many laws. The real need is to have a President who will say, 'I will honor the Constitution and my oath of office. I will protect the political rights of all Americans.'" --Prepared Remarks for Speech in New York City, 10/19/75.

"I am opposed to S-1. What we know about the bill is bad enough. There probably are other bad features in it not yet known. The S-1 bill should be killed. Washington, DC, 3/6/76

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McCARTHY ON THE ISSUES: ECONOMIC FOREIGN POLICY

"Political responsibility today extends to the whole world. We can no longer set aside whole continents or whole nations or whole races as though they were not a part of contemporary history. We have to accept, and in some measure we must give attention to, all peoples in all places. There is no place in the world today and no person in the world for which we do not have some degree of obligation and responsibility." 1975

"Overdefense, overtransportation, overfeeding. Here are three areas of great waste and great potential for adjustment which would enable us to take care of the needs of our own people, and also do something more than what we're now doing for people in other parts of the world." 1975

"If we'd been spending 10 billion a year in foreign aid for the last 20 years instead of increasing defense expenditures 10 to 20 billion dollars a year, I think things would be different in some countries in South America for example, and they'd be better in places like Africa." 4/28/72

"Just take agriculture. We could have used it if we had been producing it up to capacity simply for humanitarian purposes in Bangladesh. Food is such a thing that we could use it and say, 'Look, we don't care whether it does nothing for us economically, or nothing for us diplomatically, we're just going to do it, because people are starving.' But you can also say it will help the balance of payments." 12/4/75

"Our foreign policy should be an extension of our domestic national commitments and strength. There is our economic potential to produce all that is required to meet the needs of our own people and beyond that, to help people of other nations to improve their standard of living. In the roughly 23 years since the Korean War, the order of values in our foreign policy has been military first, then economic and material, and only in the last position, conceptions of individual rights and of society. The emphasis must be reversed." 12/4/75

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McCARTHY ON THE ISSUES: THE ECONOMY

"After each recession, there is a tendency to accept a higher rate of unemployment. We used not to accept anything over 4%; but some economists now suggest that we can 'tolerate' a rate of 6% or more unemployed. The question is: Who can tolerate it? Perhaps the employed can, and perhaps the government can. But the unemployed cannot.... We must redistribute work by shortening the work week or the work year. We can use tax incentives for industry to spread employment in this way. With proper incentives, it should be possible to create several million more jobs--for example, by shortening the work week from 40 to 35 hours--yet still assure approximately the same wages for those who are already employed."
--Eugene McCarthy, Remarks Prepared for Speech in Washington, DC, June 24, 1975.

"At least eight things should be done to provide both short-term and long-term improvement of the economy:

"We should have limited and conditional wage/price controls.

"We should have selective credit controls, so that the limited supply of credit will be directed to meet social needs and to relieve the most critical inflationary pressures.

"We should have selective excise taxes to discourage wasteful production and consumption.

"Proven devices such as investment credit and accelerated depreciation should be used selectively.

"The Federal Reserve Board should be made at least partially subject to Treasury policy...

"We should eliminate unnecessary expenditures in the military budget....

"We should reduce spending in some other areas, such as the space program and the highway-building program.

"We must eliminate waste in the nongovernmental economy. This means, particularly, action against the waste and harm which the automobile as an institution causes in our economy and in our culture....

"We do not need a revolution of rising expectations. We need one of moderating expectations--and of responsible management of the economy." --Eugene McCarthy, The Hard Years (The Viking Press, 1975), pp. 163-4.

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McCARTHY ON THE ISSUES: THE ENVIRONMENT

Car Industry: "We look back on the age of the dinosaur and say that the dinosaur was a very stupid animal because it consumed its own environment.... But we have invented the automobile and, in effect, are allowing it to consume our environment." --Speech by Eugene McCarthy, Washington, DC, August 21, 1975.

"The oil companies, for example: The worst thing they did to us was to provide too much cheap oil and gasoline over too long a period of time. They got us hooked on it; it was like dope. And then they began to build big cars in Detroit.... First car I had was a Chevrolet. I think it had 85 horsepower (six-cylinder). It...got me everywhere; it lasted 10 years.... The automobile companies say it is the nature of the American people to want big cars. But just to be sure that nature doesn't change, they spend \$750 million a year telling us what kind of big car we ought to want." --Eugene McCarthy on Martin Agronsky's "Evening Edition," WETA-TV, Arlington, Virginia, August 29, 1975.

"Our cars are too big and too heavy; they take too much space, too much material, too much fuel. They cost too much, pollute too much, and kill too many people. Selective excise taxes and positive regulation of size, weight, speed, and fuel consumption can help reduce the great waste of money and life caused by the automobile." --Eugene McCarthy, The Hard Years (The Viking Press, 1975), p. 164.

Highway Program: "Meanwhile the highway building goes on--linking one congested city with another...one polluted area with another. And the highway trust fund is treated as though it were the sacred money of the temple." --The Hard Years, p. 157.

Strip Mining: "First of all, we are not under the kind of economic pressure that justifies strip mining in the State of West Virginia. And we are not really suffering from an energy crisis in this country. We still have more energy than we really know what to do with, and we are overconsuming what we have." --Speech by Eugene McCarthy, Charleston, West Virginia, February 23, 1975.

Waste of Resources: "I was asked today, 'What are you going to do to expand the gross national product?' 'Nothing,' I said. We don't need to expand it. That's part of our problem. What we have to do is direct it into producing the things we need." --Eugene McCarthy in interview on WWDC-AM, Washington, DC, June 3, 1975.

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McCARTHY ON THE ISSUES: GUN CONTROL

The Second Amendment provides that "the right of the people to keep and bear arms shall not be infringed." In my judgment, this means that some gun-control proposals raise constitutional questions which should be resolved by the courts.

I believe, however, that the following steps are both constitutional and necessary to protect American citizens against violence:

1. All guns should be registered, with re-registration mandatory when ownership changes. Those who own guns should accept responsibility for their use--in the same way that automobile owners accept responsibility through registration of their cars.

2. Laws which establish conditions for the purchase of guns--for example, laws forbidding sale to persons who are under 18, to the mentally unstable, and to persons with felony records--should be strictly enforced.

3. Those who sell heavy ammunition should be required to keep records of each sale.

4. There should be heavy penalties for the carrying of concealed weapons. In a sense, the old Western habit of packing a pistol on one's hip was safer to non-gun owners than the current practice of carrying concealed weapons. Persons who do not carry guns should have fair warning about those who do. --Statement by Eugene McCarthy, Washington, DC, March 17, 1976

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McCARTHY ON THE ISSUES: MARIJUANA

"You don't necessarily have to be in favor of marijuana; you just simply look at the social realities. It's a little like prohibition. I have sort of an easy answer, which says that there should be a warning on the package that says it doesn't cause cancer. You decriminalize. I think what has been done by way of punishing people, putting them in prison and so on in the case of marijuana is inexcusable. It's barbaric."

--Remarks by Eugene McCarthy at Religion and the Presidency Conference, Washington, DC, January 19, 1976.

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McCARTHY ON THE ISSUES: WOMEN'S RIGHTS

Equal Rights Amendment: From 1965-70, long before it was a popular cause, McCarthy was the Senate's principal sponsor of the Equal Rights Amendment. He has strongly supported the ERA ever since; he has spoken for it and has appeared at fundraisers for the ERA campaign. McCarthy says that "the women's movement has won many significant victories in the 1970's. Passage of the Equal Rights Amendment will guarantee and extend those victories. The ERA should be first on the agenda of everyone who is concerned about equal rights." (Washington, DC, April 2, 1976)

Equal Employment: Eugene McCarthy favors strict enforcement of the statutes against discrimination in employment. He also believes that decisive action is needed to assure full employment. "Whenever there's a recession," he says, "the minorities get fired, the young people get fired and the women get fired." (Harrisburg, PA, February, 1976) "We should redistribute the work by shortening the work day, week or year by roughly seven per cent. That's essentially what we did when we passed the 40-hour work week and eight-hour day during the Depression." (St. Louis, MO, February 17, 1976)

Psychological and Cultural Values: McCarthy does not believe that traditionally male values should dominate American society. He has observed, for example, that the U.S. obsession with large cars is a projection of men's values. He deplores the automobile's waste of resources and lives "and all the advertising of the super-machismo stuff." (Arlington, VA, August 29, 1975)

Welfare Reform: "We must provide adequate income support for poor people who cannot work--including mothers who are heads of households but cannot work because they must care for young children. The worst welfare proposals are those which try to force mothers of young children to leave their homes and take jobs." (Portland, OR, April 30, 1975)

Women in Government: By fighting the federal campaign law's discrimination against non-incumbents, McCarthy has championed women candidates and other "outs" who challenge the "ins."

A McCarthy administration will have women in top positions of responsibility and power. When asked about the kinds of appointments he would make, McCarthy has mentioned LaDonna Harris as a possibility for Secretary of the Interior; Barbara Tuchman as a potential Secretary of State or Supreme Court Justice; C. Delores Tucker as a potential head of the Postal Service; and Coretta Scott King as a possibility for U.S. Ambassador to the United Nations.

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MC CARTHY '76

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CAMPAIGN BULLETIN

MAY 12, 1976

PETITION DRIVES: McCarthy volunteers in Ohio, Kentucky, New Jersey, Michigan, and Utah have already filed far more than the minimum number of signatures needed to qualify Eugene McCarthy for the ballot in their states... Petition drives are now under way in eight other states: Arizona, Iowa, Maine, Maryland, Massachusetts, Missouri, Pennsylvania, and West Virginia. More drives will be starting soon in other states.

TRUE GRIT: Maine McCarthy volunteers recently petitioned inside the hall at the Republican state convention... Marylanders will petition at polling places during next Tuesday's primary.

MORE NAMES NEEDED: We need more volunteers to help with coming petition drives in Indiana, Kansas, Montana, Nevada, and South Dakota. If you know people in these states who can help, please send us their names, addresses, and phone numbers.

ISSUE PAPERS: Unless you have already received one, we are enclosing with this bulletin a complete set of "MC CARTHY ON THE ISSUES." We suggest that you reproduce these papers in quantity for local use.

CAMPAIGN MATERIALS: Also enclosed is a price list for campaign materials. You can buy buttons and bumper stickers from national MC CARTHY '76 for just 4-5¢ apiece, then resell at 25¢ apiece to make money for your local MC CARTHY '76 group--and to spread the word.

THE MEDIA FRONT: CBS-TV cameras were at national headquarters today, filming an interview with the candidate. Watch "CBS Evening News" for a feature.

COUPON FUNDRAISING: By now you will have received a dozen books of MC CARTHY '76 coupons for use in fundraising. Each book has 10 coupons; the coupons sell for \$2 apiece. We ask you to sell each coupon (giving the portion with McCarthy's picture and signature to the donor); keep half of the proceeds for local campaign use; and send the other half--together with all name-and-address stubs--to the national office. We need to build a national mailing list of 50,000 supporters in the next 30 days. Two dollars is not much to ask of anyone; but if we sell all the coupons, we'll raise \$50,000 for local groups and \$50,000 for the national campaign. For contributions of over \$2, just ask for a check payable to "MC CARTHY '76."

MC CARTHY SCHEDULE: Gene McCarthy will appear in Galesburg, IL on May 17th; Madison, WI, May 19th; Green Bay, WI, May 20th; Iowa, June 22nd; Oregon, June 23rd-24th; Northern California, June 25th-26th. More appearances will be added; we'll keep you posted.

MC CARTHY '76

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CAMPAIGN BULLETIN

MAY 26, 1976

HIGH GOAL IN MASSACHUSETTS: McCarthy volunteers in the Bay State need 37,000 signatures by June 29th to qualify Gene McCarthy for the ballot in November. If you have in-state friends who can help, please turn them on. And if you can spend a week or more petitioning for McCarthy in Massachusetts, please contact Mike McInerney (617/783-2478, home; 262-7603, office).

EVEN HIGHER IN MARYLAND! Marylanders for McCarthy have about 20,000 signatures already--but need some 40,000 more by July 8th. Free room and board are available for out-of-staters who can help a week or more in Maryland. Excellent training also available--Spending a week with the Maryland veterans is a great way to learn the nuts and bolts of running a petition drive. If you can help, please contact Drs. Miryam or Franklin Davis, 301/320-3590 or 229-6580.

DOWN THE HOMESTRETCH IN MAINE: McCarthy supporters in Maine need 11,000 signatures by June 8th. If you have friends in Maine who can help with the final push, please contact Donald Lucas (207/492-8801) for Northern Maine or Elaine Miller (207/282-7206) for Southern Maine.

THE IMPORTANCE OF BEING A NOTARY: Two states--INDIANA and VERMONT--require that each signature on a nominating petition be notarized. The following states require that each petition sheet be notarized: COLORADO, ILLINOIS, KANSAS, LOUISIANA, MARYLAND, MISSOURI, NEBRASKA, NEVADA, PENNSYLVANIA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WISCONSIN. If you're in one of these states, you can save much time and money by recruiting notaries public (or other officers authorized to administer oaths) to volunteer their services to the campaign. Or encourage several volunteers to obtain notary commissions. Or both.

NEW LITERATURE ENCLOSED: You'll find enclosed an essay by Jerry Eller on excellent reasons for supporting McCarthy; also a paper explaining how potential volunteers can help our effort. You can reproduce the first directly. We suggest that you adapt the second to meet the specific needs of your state (be sure to give local address & phone number).

NATIONAL FINANCE COMMITTEE FORMED: Some 40 McCarthy supporters from around the country met near Chicago on May 22nd to plan the fundraising we need to see us through the petition drives. Projects planned include direct solicitation, cocktail fundraisers, the coupon drive (already under way), and direct-mail fundraising. For many ideas on how you can raise money for the local and national campaigns, please contact Kumar Poddar at the national office.

MCCARTHY '76

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CAMPAIGN BULLETIN

JUNE 9, 1976

AS MAINE GOES: McCarthy supporters in Maine yesterday filed about 12,000 petition signatures to assure that McCarthy's name will be on the November ballot. Maine thus becomes the sixth state to complete its petition drive...The others are Ohio, Kentucky, New Jersey, Michigan, and Utah...Most filing deadlines fall in July, August, and September.

MASSACHUSETTS & MARYLAND: Still more petitioners are needed in both states this month to meet high petition requirements. For Massachusetts, please contact Mike McInerney (617/783-2478, home; or 262-7603, office). For Maryland, please call Drs. Miryam or Franklin Davis, 301/320-3590 or 229-6580.

LEGAL VICTORY IN KANSAS: We have won, by consent decree in federal court, the McCarthy v. Bennett case in which we challenged a Kansas law which barred independent candidates for presidential elector. Our thanks to the South Central Kansas Civil Liberties Union, which supported our challenge, and to attorney Michael D. Gragert of Wichita, who presented our case. Special thanks, too, to attorney John C. Armor of Baltimore, who is advising on all of our legal challenges.

Having established our legal rights in Kansas, we now need a minimum of 2,500 signatures (4,000 to be safe) by June 21st. If you know anyone in or near Kansas who can help, please contact George Laney (316/265-3278, Rm. 10) or the national office.

READY FOR THE FOURTH OF JULY? Picnics, parades, fireworks displays, and other events scheduled for our 200th Fourth of July will provide great petitioning opportunities. We suggest that you line up many volunteers--starting now--and target the events likely to draw the best crowds.

WHEN SUPPORTERS ARE HATCHED: We have received many questions about what federal employees may and may not do in politics. Briefly stated, they MAY NOT work as campaign volunteers, circulate our nominating petitions, or run as candidates for presidential elector. But they MAY register and vote, wear buttons, display stickers, attend rallies and meetings, contribute money to MCCARTHY '76, and sign our nominating petitions. More detailed information is available from the national office.

WATCH CBS-TV ON MONDAY MORNING: Gene McCarthy is scheduled to be interviewed on the "CBS Morning News," Monday, June 14th, at 7:40 AM, EDT (40 minutes after program starts).

MCCARTHY '76: A CHOICE--FOR A CHANGE!

Officers: ~~Walter Matthies~~ (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Meehan (Maryland), Treasurer • National Finance Committee: Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan)

MCCARTHY '76

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CAMPAIGN BULLETIN

JUNE 23, 1976

PROGRESS REPORT: Kansas volunteers for McCarthy filed over 4,000 signatures in Topeka on Monday--thus assuring ballot placement in November...Illinois and Wisconsin have started their petition drives; Wisconsin has already passed its 3,000 signature requirement...Oregon provides a convention method for nominating independent candidates; Oregonians for McCarthy will hold their convention tomorrow evening in Portland--the candidate will be there.

READY FOR THE COUNTY FAIRS? Ohio McCarthy supporters plan to have tents, sell materials, and recruit volunteers at county fairs this summer. It will cost an average of about \$150 in space/tent rental and materials for each fair; but they expect to cover the cost by selling buttons, pins, stickers, coupons, and other items. If your state has not finished its petition drive, remember that county fairs can also be great places to petition.

MISSOURI NOTES: The Missouri campaign now has a full-time student intern who will receive academic credit for research and help with campaign management--a good idea for other states... McCarthy petitioners in St. Louis have had special success at art fairs, post offices, government office buildings, the city zoo, and the Greyhound bus terminal...They plan an auction of political memorabilia to raise money for the petition drive. A similar auction by the Missouri Women's Political Caucus raised over \$3,000.

SPEAKING OF COLLECTORS' ITEMS: Have any buttons, daisy stickers, posters or other items from the '68 McCarthy campaign that you would like to donate for fundraising? If so, please send them to the national office--We'll turn them into dollars.

"THERE'S NO COMPARISON": The enclosed sheet of quotes about McCarthy can be reproduced inexpensively by any offset printer. Be sure to substitute local address and phone number at the end.

REMINDER ABOUT NOTARIES: If you're from one of the following states, please recruit notaries public to volunteer, and have present volunteers obtain notary commissions, for your petition drive: COLORADO, ILLINOIS, INDIANA, IOWA, LOUISIANA, MARYLAND, MISSOURI, NEBRASKA, NEVADA, PENNSYLVANIA, RHODE ISLAND, SOUTH DAKOTA, VERMONT, VIRGINIA, WISCONSIN.

WATCH "NATIONAL TOWN MEETING" ON JULY 7TH: Independent Gene McCarthy and others will discuss "Campaign '76"--Wednesday, July 7th, 10:30-11:30 AM, EDT. Check your public broadcasting station listing.

A CHOICE--FOR A CHANGE!

MC CARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

CAMPAIGN BULLETIN

JULY 8, 1976

OVER THE TOP IN MARYLAND: Marylanders for McCarthy already have the required minimum of 52,000 signatures...Now they're driving hard for the extras needed as insurance against strike-offs...The new filing deadline is July 13th...If you can help in the last few days, please call Drs. Miryam or Franklin Davis, 301/320-3590 or 229-6580...Petition drives started this week in Minnesota, Montana & New Hampshire...California starts next week.

TEMPORARY SETBACK IN THE BAY STATE: McCarthy volunteers in Massachusetts last week submitted to local election boards over 51,000 petition signatures. After local boards had struck off signatures for alleged technical errors, we were some 2,000 short of the 37,000 requirement. But we are challenging many of the local boards' strike-offs--and we're confident that McCarthy will be on the ballot in Massachusetts.

MISSOURI AND ILLINOIS: Both states have high petition requirements and need help. Missouri needs over 18,000 signatures by July 31st; if you can help, please contact Marlene Barrett (314/727-9381, Home; or 331-9020, X312, Office). Illinois needs 25,000 signatures by August 2nd; please call Bill Myers, 312/864-5314.

CARTER WORRIED: The Carter forces in Oregon are trying to keep McCarthy off the ballot...But don't worry; we'll win...Their motive was indicated by columnist James Wieghart in the New York Daily News of June 23rd: Carter--who has asked pollster Patrick Caddell to measure McCarthy's strength--is afraid that McCarthy will run strongly among independent and liberal voters...And pollster Louis Harris revealed on Tuesday that he has taken a poll which shows that McCarthy--with virtually no national publicity--already draws 10% in a three-way race with Carter and Ford.

WHO'S WHO? Enclosed is a list of McCarthy state and local contacts. We are adding more names every day and will issue supplemental lists...State Coordinators: If you have local coordinators not included in the list, please send us their names, addresses, and phone numbers for the next list. We'll then refer volunteers to them and keep them posted with the campaign bulletin.

McCARTHY SCHEDULE: Gene McCarthy will be in NYC, July 12th; on "Panorama," WTTG-TV, Washington, DC, Noon, July 13th; Portland, OR, July 14th; Chicago, IL, July 16th; Minneapolis, MN, July 17th & 18th; "Robert MacNeill Report," PBS, July 20th.

A CHOICE--FOR A CHANGE!

MC CARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

CAMPAIGN BULLETIN

JULY 21, 1976

NOW THERE ARE ELEVEN: Drives to place Gene McCarthy's name on the November ballot have been completed in eleven states: Kansas, Kentucky, Maine, Massachusetts, Maryland, Michigan, New Jersey, Ohio, Oregon, Utah, and Wisconsin.

Michigan and Utah also require court challenges of the same kind that we won in Kansas...In Massachusetts we're challenging local boards' strike-off errors in state court--and expect to be on the ballot in a few weeks...On July 13th Wisconsin McCarthy volunteers filed well over the 3,000 signatures required...On the same day, Marylanders made a second filing, bringing the total to over 61,000 signatures! Minnesota & North Dakota will file soon.

S.O.S. FOR ILLINOIS, MISSOURI, & MONTANA: They need more help to meet high requirements. For Illinois, please contact Bill Myers at Chicago headquarters (312/663-3733, HQ; 312/864-5314, Home). For Missouri, please call Marlene Barrett (314/863-0100, X 4512, Office; 314/727-9381, Home). For Montana, Dean Cox (406/543-3335).

READY FOR THE CANDIDATES' NIGHTS? Local candidates' nights are good events for petitioning and for picking up more volunteers... McCarthy petitioners in Maine obtained signatures of seven Democratic candidates running in a congressional primary. So when they saw any voter sporting a button for one of the candidates, they could say, "Your candidate signed for us; wouldn't you like to sign?"...And Maryland petitioners who were told, "I'm a Democrat" could reply, "Sargent Shriver and Frank Mankiewicz signed--and they're good Democrats."

CALIFORNIA HERE WE COME: Californians for McCarthy have started their drive to gain 99,000 signatures by September 3rd. If you can help--or know Californians who can help--please contact Richmond Young for Northern California (415/431-5566, HQ; 707/762-5789, Home); or Barbara Barron & Frank Mattei for Southern California (213/387-2108, HQ; 213/845-0695, Barbara's Home).

MAC THE KNIFE: Though Jimmy Carter has been running an anti-Washington campaign, his policy advisers are drawn largely from the Washington establishment. In the New York Times of July 10th, McCarthy was quoted as saying, "It's as though you were reassembling the advisers to the Austro-Hungarian Empire. Most of them you wouldn't want to put in charge of snake control in Ireland."

THE MEDIA FRONT: Check local listing for PBS program, "USA: People and Politics," Friday, July 23rd, for report on our petition drives. Watch for McCarthy on NBC's "Meet the Press," Sunday, July 25th.

A CHOICE--FOR A CHANGE!

Officers: Alice Mahoney (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Meehan (Maryland), Treasurer. National Finance Committee: Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan)

MCCARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

CAMPAIGN BULLETIN

AUGUST 5, 1976

OKLAHOMA--OK! On July 23rd, by a 7-2 decision in McCarthy v. Slater, the Supreme Court of the State of Oklahoma directed the state election board to place on the ballot independent elector candidates pledged to Eugene McCarthy. The board had previously refused to accept our filing, claiming that elector candidates must be nominated by political parties. But the court held that "an independent candidate cannot be required to be a member of a recognized political party to have access to the ballot..." Our special thanks to attorneys Irving L. Faught and John C. Gatlin of Oklahoma City, who won the case for us.

ILLINOIS AND ALASKA FILINGS: McCarthy supporters in Illinois filed almost 35,000 petition signatures on Monday...Now we just have to win a court challenge on the same point we won in Oklahoma... Supporters in Alaska filed over 3,200 signatures on Wednesday.

CHANGING THE RULES IN THE NINTH INNING: In February the Missouri Secretary of State's office told us in writing that the filing deadline was July 31st. Last week, however, the Attorney General said that the deadline was really in April. So the state refused to accept our filing, and we're going to court...It should be an easy win...Missourians collected some 25,000 signatures.

NEW DRIVES STARTED: Petition drives started last week in Colorado, the District of Columbia, and Nebraska...This week we're starting in Indiana, South Dakota, and Virginia.

CAN YOU LEND A HAND IN PENNSYLVANIA? Volunteers in the Keystone State are close to the minimum requirement of 30,000--but need help in gaining the extra 20,000 to assure a safe margin. If you can help, please call state coordinators Sally and Dan Wheaton (717/374-8017); or for Pittsburgh, call Charlie Preston (412/441-9297); for Philadelphia, call John Dowlin (215/382-6693). DEADLINE: 8-21-76!

FAIR PLAY FOR GENE? The League of Women Voters is running a national campaign to obtain TV debates between the Republican and Democratic presidential candidates. They are not inviting McCarthy to take part. It might be a good idea to ask your local League chapter why not...Courteous letters to the networks, urging inclusion of McCarthy in any debates, should also help.

THE MEDIA FRONT: Harry Reasoner of ABC interviewed McCarthy at length yesterday. We understand that there will be a feature on McCarthy on ABC-TV's evening news on Monday, August 9th or Tuesday, August 10th.

A CHOICE--FOR A CHANGE!

Officers: Alice Mahoney (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Aeehan (Maryland), Treasurer. National Finance Committee: Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan)

MC CARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

CAMPAIGN BULLETIN

AUGUST 19, 1976

WATCH CBS SUNDAY NIGHT: We have bought time for a five-minute spot on Sunday, August 22nd, 9:55-10PM, EDT, on CBS-TV (the last five minutes of "Kojak"). Gene McCarthy will speak on the issues, and there will be a fund appeal. Please spread the word!

INDIANA AND CONNECTICUT: Indiana needs 14,000 signatures by August 26th. If you can help, please contact Elaine Miller or Jackie Churches at 812/665-3381.

Connecticut needs 24,000 signatures by August 30th. For those who can help with the drive, Paul Bassler's family offers free lodging and a swimming pool. Please contact Paul at 203/853-8635 or 866-3602; or Dick Laybourn at 203/549-2400; or Tom Foran at 203/528-8736; or Mike De Rosa at 203/624-8452 or 932-2456.

PETITIONING TIPS: Retirement homes, convents, and apartment buildings are good places to petition. It's best to recruit volunteers who live in such places to do the petitioning, since they know the people there. If you can't locate volunteers beforehand, petition in the building yourself until you find someone who can carry on. Then move to the next gold mine...

Volunteers who cannot reach crowded public places should be encouraged to petition in their own neighborhoods. This works best in evenings and weekends, when voters are most likely to be home...

People who are not registered to vote should not be asked to sign; but if they're for McCarthy, urge them to register and tell them how to do it. If your area has postcard registration, pick up a stack of the postcards so you can give them to supporters.

NEW LITERATURE: Missouri volunteers have prepared a nine-page blue pamphlet called "Issues & Answers," with excerpts from McCarthy statements on major issues (most are taken from our issue papers). The pamphlet costs 25¢ per copy or \$1.50 for 10 copies. Please send check to: MCCARTHY '76--MO, P.O. Box 3041, St. Louis, MO 63130... As a result of our Missouri drive, a group called Missourians for Fair Ballot Access has been organized. Its members will act as "citizen watchdogs" to be sure that groups petitioning for ballot placement receive fair play.

LETTERS TO EDITORS: Watch the letters columns in local papers and national magazines for comments by voters who want a third choice in November. Send them a note or give them a call to let them know that there is---

A CHOICE--FOR A CHANGE!

MCCARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

CAMPAIGN BULLETIN

OCTOBER 14, 1976

NOW THERE ARE THIRTY: McCarthy's name is now on the ballot in 30 states which have a total of 360 electoral votes (only 270 needed for a majority)...Regular Democrats in New York, fronting for Carter, are trying to knock McCarthy's name off the ballot... He's on the ballot in every major state except California, where a recent Field Poll showed a 10% write-in vote for McCarthy... Vigorous write-in drives are planned for California and other states.

DEBATE CASE: We're now before the Court of Appeals in our effort to have Gene McCarthy included in the third presidential debate and to obtain equal time for the first two debates. A decision is expected by early next week.

MCCARTHY SCHEDULE: The candidate will speak in Washington, DC on Friday, October 15th; appear on ABC-TV's "Issues and Answers," 12:30-1 PM, eastern time, Sunday, October 17th; campaign in Missouri and Illinois, Monday, October 18th; campaign in Washington State, Tuesday, October 19th; speak in Oregon on Wednesday, October 20th; and appear in Minnesota, Thursday, October 21st.

GATHERING OF THE CLANS: Over 200 McCarthy elector candidates and activists, representing 38 states, met in Madison, Wisconsin on October 8th and 9th. The conference featured a speech by national legal coordinator John Armor, workshops on activities for the last weeks of the campaign, and an address by Eugene McCarthy to a crowd of over 3,000 at the University of Wisconsin.

At a news conference, McCarthy named eleven persons he would name to cabinet positions and two he would like to appoint to the Supreme Court. For the cabinet: William T. Coleman, Jr., currently Secretary of Transportation; former Senator J. William Fulbright; author and commentator Frank Getlein; Walter J. Hickel, former Governor of Alaska and former Secretary of the Interior; Carla A. Hills, currently Secretary of Housing and Urban Development; former Senator Harold E. Hughes; Terry Sanford, President of Duke University and former Governor of North Carolina; Sam Shoen, president of U-Haul; Howard Stein, president of the Dreyfus Fund; C. Dolores Tucker, Secretary of the Commonwealth of Pennsylvania; and Kevin H. White, Mayor of Boston. For the Supreme Court: Herbert Reid, professor of law at Howard University; and David Riesman, author, lawyer, and social science professor.

NEXT TV SPOT: Watch CBS-TV, Tuesday, October 19th, 10:55 PM, eastern time, for another McCarthy TV ad.

-MORE-

Officers: Alice Mahoney (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Meehan (Maryland), Treasurer. National Finance Committee: Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan).

REGIONAL COORDINATORS: To provide special assistance in the last weeks of the campaign, the national office has named six regional coordinators. If you have a problem, need an answer, need special help, please contact the person assigned to your state--

Sue Hatt - New England: Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. Call 202/737-4900.

Gary De Carolis - Middle Atlantic: Connecticut, Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania, Virginia. Call 202/232-6276.

George Laney - South: Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, West Virginia. Call 202/737-4900.

Michelle Lefkowitz - Midwest: Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, Wisconsin. Call 202/232-6276.

Charlie Preston - Midwest (Plains States & Missouri): Kansas, Missouri, Nebraska, North Dakota, South Dakota. Call 202/737-4900.

John Tabori - Florida & the West: Alaska, Arizona, California, Colorado, Florida, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming. Call 202/737-4900.

EASY ON THE PHONES, PLEASE! We're having difficulty keeping our lines open. Please help by holding your calls to 1-3 minutes whenever possible. We cannot accept collect calls!

NEW LITERATURE AVAILABLE: The enclosed "Spirit of Independence" piece can be duplicated by any instant printer; the cost should be about \$26 per thousand. It can be used for canvassing and fundraising...Ohians for McCarthy duplicated the "White House Belongs to You" brochure, substituting an Ohio message and address on the back panel. They reproduced directly from a brochure, rather than from a master. Most of the photographs reproduced reasonably well. The initial 1,000 (including plate) cost \$42.50; each additional 1,000 (without folding) cost just \$12.50.

SLOGAN TIME: Paul Goodman of Arizona, who originated our brochure slogan, has some more ideas that can be used on posters and leaflets: "If the Problems Facing America Could Be Solved By Republicans or Democrats, Don't You Think They Would Be Solved By Now? Vote Independent...Eugene J. McCarthy for President." *** "Don't Sit It Out November 2nd. Vote Independent. Vote Eugene J. McCarthy for President." *** "The White House Does Not Belong to the Republicans or Democrats. The White House Belongs to You. Vote Independent. Vote Eugene J. McCarthy for President." *** From Dan Wheaton of Pennsylvania: "Why Not the Very Best? Vote Eugene J. McCarthy for President." From Evelyn Hillis of Iowa, where McCarthy's name appears on the bottom line of the presidential ballot: "The Bottom Line for the Republic: Eugene J. McCarthy." *** From Sue Hatt of New Hampshire: "Fed Up With Both of Them? There Is an Alternative in This Year of Independents. Vote Eugene J. McCarthy for President." *** From the Madison airport rally: "A Vote for McCarthy Is a Vote for McCarthy!" Last, but not least--

GENE MCCARTHY: A CHOICE--FOR A CHANGE!

LAW OFFICES

OGDEN AND COYLE

1820 JEFFERSON PLACE, N. W.

WASHINGTON, D. C. 20036

8 1 0 4 0 2 4 0 5 2 0

First Class
Mail

HAND DELIVERED
JULY 5, 1978

MS BIZ VAN GELDER
OFFICE OF THE GENERAL COUNSEL
FEDERAL ELECTION COMMISSION
1420 N STREET NW
WASH DC.



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 27, 1978

MEMORANDUM TO: CHARLES STEELE

FROM:

MARJORIE W. EMMONS

MWE

SUBJECT: MUR 485 - Interim Status Report dated 6-23-78
Received in OCS: 6-23-78, 4:30

The above-mentioned document was circulated on a 24 hour
no-objection basis at 12:00, June 26, 1978.

As of 1:30 p.m., this date, no objections have been
received in the Office of Commission Secretary to the Interim Status Report.



MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached Interim Status report
on MUR 485 distributed to the Commission on a 24 hour
no-objection basis.

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

June , 1978

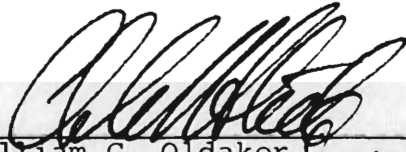
In the Matter of)	
Eugene McCarthy)	
Committee for a Constitutional)	MUR 485
Presidency)	
Shrikumar Poddar)	
Washington Watch)	
Educational Subscription Service)	
APP's Advertising Agency)	

Interim Status Report

The depositions of Bruce Brown, the complainant in this matter, and Shrikumar Poddar were taken in Michigan on June 6 and June 8, 1978, respectively. In addition, Mr. Poddar produced documents pertaining to his loans to the CCP and the alleged in-kind services rendered by his businesses, the Washington Watch, Educational Subscription Service and APP's Advertising Agency, to the McCarthy campaign.

As of this date the transcripts of these depositions have not been received. A detailed report will be sent to the Commission once the documents and transcripts have been thoroughly analyzed in the context of the allegations made in this matter.

23 June 1978
Date



William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 31, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS *mwe*

SUBJECT: MUR 485 - Interim Status Report dated 5-25-78
Signed: 5-26-78
Received in Office of Commission
Secretary: 5-26-78

The above-mentioned document was circulated on a 24
hour no-objection basis at 1:30 p.m., May 30, 1978.

There were **no objections** to the **Interim Status Report**.

May 26, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached Interim Status Report on
MUR 485 distributed to the Commission.

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

May 25 , 1978

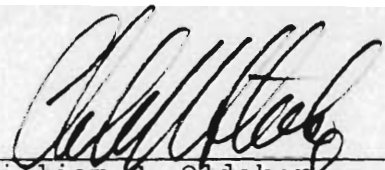
In the Matter Of:)
)
Eugene McCarthy) MUR 485
Committee for a Constitutional Presidency)
Shrikumar Poddar)
Washington Watch)
Educational Subscription Service)
APP's Advertising Agency)

INTERIM STATUS REPORT

On May 3, 1978, The Commission approved the issuance of a subpoena for deposition to Mr. Bruce Brown, the complainant in this matter. His deposition has been scheduled for June 6, 1978. Further, Mr. Poddar's deposition will be taken on June 8, 1978. Mr. Poddar has also been subpoenaed to produce documents relevant to his loans to the CCP and the alleged in-kind services rendered by his three businesses, The Washington Watch, Educational Subscription Service and APP's Advertising Agency. These documents will be produced for inspection the day before his deposition, on June 7, 1978.

In addition, Mr. McCarthy and the CCP have filed a complaint, MUR 601, with the Commission concerning the fact that Mr. Brown made the investigation of this matter public.

26 May 1978
Date:



William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 11, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Bruce Brown
Route 1, Box 293
Saulte Sainte Marie, Michigan 49783

Re: MUR 485

Dear Mr. Brown:

In reference to your letter dated March 29, 1973 please be advised that 2 U.S.C. §437g (3)(B) requires that "any notification or investigation [by the Commission]... shall not be made public by the Commission or by any person without the written consent of the person received such notification or the person with respect to whom such investigation is made."

Further, in connection with our investigation of this matter, the Commission has determined that you be issued a subpoena for deposition regarding your knowledge of facts surrounding the allegations therein. Accordingly, a subpoena for your deposition and a check for your per diem witness and mileage fees are enclosed.

If you have any questions concerned this matter, please contact David Spiegel or Elena King of my staff at 202-523-4529.

Sincerely,

William C. Oldaker
General Counsel

Enclosure



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

MAR 485 EK

<p>● SENDER Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.</p>								
<p>1. The following service is requested (check one).</p> <p><input type="checkbox"/> Show to whom and date delivered. _____ \$</p> <p><input checked="" type="checkbox"/> Show to whom, date, and address of delivery. _____ \$</p> <p><input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. _____ \$</p> <p><input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery. \$ _____</p> <p>(CONSULT POSTMASTER FOR FEES)</p>								
<p>2. ARTICLE ADDRESSED TO: <i>Russ Brown</i> <i>Rte. 1, Box 293</i> <i>Sault Ste. Marie, Mich.</i></p>								
<p>3. ARTICLE DESCRIPTION: <i>49783</i></p> <table border="1"> <tr> <td>REGISTERED NO.</td> <td>CERTIFIED NO.</td> <td>INSURED NO.</td> </tr> <tr> <td></td> <td><i>481097</i></td> <td></td> </tr> </table> <p>(Always obtain signature of addressee or agent)</p>			REGISTERED NO.	CERTIFIED NO.	INSURED NO.		<i>481097</i>	
REGISTERED NO.	CERTIFIED NO.	INSURED NO.						
	<i>481097</i>							
<p>I have received the article described above.</p> <p>SIGNATURE <i>19</i> <input type="checkbox"/> Addressee <input checked="" type="checkbox"/> Authorized agent</p> <p><i>Chas. Kepper</i></p>								
<p>4. DATE OF DELIVERY <i>5-15-78</i> <i>WLD</i></p>		<p>POSTMARK</p>						
<p>5. ADDRESS (Complete only if requested) <i>RT 1 Box 293</i> <i>Sault Ste. Marie Mi. 49783</i></p>								
<p>6. UNABLE TO DELIVER BECAUSE:</p>		<p>CLERK'S INITIALS</p>						

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Bruce Brown
Route 1, Box 293
Sault Sainte Marie, Michigan 49783

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Further, in connection with our investigation of this matter, the Commission has determined that you be issued a subpoena for deposition regarding your knowledge of facts surrounding the allegations therein. Accordingly, a subpoena for your deposition and a check for your per diem witness and mileage fees are enclosed.

If you have any questions concerned this matter, please contact David Spiegel or Elena King of my staff at 202-523-4529.

Sincerely,

William C. O'Raker
General Counsel

Enclosure

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

RE: MUR 435 (77)

Subpoena to Appear for Deposition
Upon Oral Examination

TO: Bruce Brown
Route 1, Box 293
Saulte Sainte Marie, Michigan 49783

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for deposition with regard to issues under investigation in the above-referenced matter. Notice is hereby given that the deposition is to be taken at 1:00 p.m. on June 6, 1973 at the Board of Commissioners Room, 3rd Floor, Circuit Court Building, Court Street, Saulte Sainte Marie, Michigan and at any and all adjournments thereof.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C. on this ^{10th} ~~8th~~ day of May, 1973.

Thomas E. Harris
Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

PERSONAL MONEY ORDER

PERSONAL MONEY ORDER



**NORTHWESTERN FEDERAL SAVINGS
AND LOAN ASSOCIATION**

TACOMA PARK OFFICE
119 CARROLL STREET, N.W.
WASHINGTON, D.C. 20012

No. 300762

15.55
540

5-9

19 78

PAY TO THE ORDER OF *****Bruce Brown*****

NOT VALID
AFTER 90 DAYS

NOT GOOD FOR MORE THAN \$300.00

SIGNATURE

Letha L. Dixon

AMERICAN SECURITY & TRUST CO., N.A.
WASHINGTON, D.C.

ADDRESS Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

⑈300762⑈ ⑆0540⑈0055⑆21⑈862 94 642⑈

FEDERAL ELECTION COMMISSION
800 3515

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1420 N STREET, NW
WASHINGTON, DC 20005
(202) 483-2700

TO MAY 10 P 4: 56

009203

May 10, 1978

Ms. Elena King
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

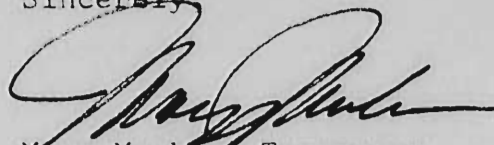
RE: MUR 485 (77)

Dear Ms. King:

Enclosed are the By-Laws of the CCP.

Also enclosed are several documents recently discovered
in our files which relate to Section A-2 of the subpoena served
on me.

Sincerely



Mary Meehan, Treasurer

Enclosures

BY-LAWS
OF
THE COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

ARTICLE I

Purposes

The purposes for which the Committee is organized are to develop and promote an interest in governmental process and procedure through activities which shall include, but shall not be limited to, the presentation of public discussion groups, forums, panels, lectures, seminars, and other similar programs, and the dissemination of booklets, pamphlets or other similar publications, campaigning for and supporting an independent candidate for public office reflecting the political views of those associated with the committee; and to accept funds necessary for the operation of committee activities.

No part of the net earnings or assets of the Committee shall inure to the benefit of, or be distributed to, and member, director, or officer of the Committee, or any other private individual. The Committee itself shall not conduct any post-secondary education institution or vocational school nor receive any child for care or placement apart from its parents. The Committee shall not carry on propaganda or otherwise attempt in any way to influence legislation or participate or intervene in any political campaign on behalf of any candidate for public office.

Upon dissolution of the Committee or winding up of its affairs, the assets of the Committee shall be applied and distributed as follows:

(a) All liabilities and obligations of the Committee shall be paid, satisfied and discharged, or adequate provision shall be made therefor;

(b) Assets held by the Committee upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution or winding up, shall be returned, transferred or conveyed in accordance with such requirements; and

(c) All remaining assets not disposed of under either of the preceding paragraphs (a) or (b) shall be transferred or conveyed to one or more organizations which have operations or perform services in the City of Chicago, Illinois, and its adjacent trade area and are exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provisions of any federal tax law which may then be in effect.

ARTICLE II

Offices

The Committee shall have and continuously maintain in the State of Illinois a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

ARTICLE III

Members

Section 3.1. Qualification and Term. The members shall be of one class and shall include Patrick Crowley, Ronald Cocome, Jordan Miller, Barbara Barron, Suzannah B. Hatt, and such other individuals as may be selected to membership by a majority of the members. A member shall serve for life or until he or she shall resign or be removed.

Section 3.2. Voting Rights. Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 3.3. Resignation. Any member may resign by filing a written resignation with the Secretary.

Section 3.4. Removal. Any member may be removed, with or without cause, by a majority of the members.

Section 3.5. Transfer. Membership is not transferable or assignable.

Section 3.6. Annual Meetings. The annual meeting of members for the transaction of such business as may properly be brought before the meeting shall be held at the hour of _____ of each year, if not a legal holiday under the laws of the State of Illinois, and if a legal holiday then on the next day which shall not be a legal holiday.

Section 3.7. Special Meetings. Special meetings of the members may be called either by the President, the Board of Directors or members having not less than one-twentieth of the votes entitled to be cast at such meeting.

Section 3.8. Place of Meeting. All meetings of the members shall be held at such place within or without the State of Illinois as the Board of Directors may provide. In the absence of any such provision, the meeting shall be held at Chicago, Illinois or (except where otherwise required by law) at such other place as may be designated in the notice of meeting.

Section 3.9. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each member not less than five nor more than forty days before the date of such meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. In case of a special meeting or one required by statute or by these By-Laws, the purpose for which the meeting is called shall be stated in the notice. (See Article X.)

Section 3.10. Action Without a Meeting. Any action required by law to be taken at a meeting of the

members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote in respect of the subject matter thereof.

Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any articles or document filed with the Secretary of State under the General Not For Profit Corporation Act of Illinois.

Elections for directors may be conducted by mail.

Section 3.11. Quorum and Adjournment. Members of the Committee holding not less than one-tenth of the votes entitled to be cast at such meeting, represented in person or by proxy, shall constitute a quorum at any meeting of the members, except that in the absence of a quorum a lesser number may adjourn the meeting from time to time.

Section 3.12. Organization. At each meeting of the members, the President, or, in the absence of the President, a person elected by the members, shall act as Chairman of the meeting. The Secretary, or, in his or her absence, such person as the Chairman of the meeting shall appoint shall act as Secretary of the meeting.

Section 3.13. Proxies. At any meeting of members, a member entitled to vote may vote either in person or by proxy executed by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE IV

Board of Directors

Section 4.1. General Powers. The affairs of the Committee shall be managed by its Board of Directors.

Section 4.2. Number, Tenure, and Qualifications. The number of directors of the Committee shall be five. Each director shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified. Directors need not be residents of Illinois nor members of the Committee. Any director may resign at

Section 4.7. Quorum. One-third of the whole Board of Directors shall constitute a quorum for the transaction of business at any meeting, provided if less than one-third of the directors are present, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 4.8. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law, the articles of incorporation or by these by-laws.

Section 4.9. Vacancies. Any vacancy, however occurring, in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 4.10. Committees. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees each of which shall consist of two or more directors, which committees, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation. The designation and appointment of any such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

ARTICLE V

Officers

Section 5.1. Number. The officers of the Committee shall be a President, one or more Vice Presidents (the number thereof, if more than one, to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers and assistant officers as may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 5.2. Election and Term of Office. The officers of the Committee shall be elected annually by

the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights. Any officer may resign at any time by giving notice to the Board of Directors or to the President or to the Secretary. A resignation of an officer need not be accepted in order to be effective.

Section 5.3. Removal. Any officer may be removed by the Board of Directors, either with or without cause, whenever in its judgment the best interests of the Committee shall be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the person so removed.

Section 5.4. Vacancies. A vacancy in any office, however caused, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.5. President. The President shall be the principal executive officer of the Committee and shall in general supervise and control all the business and affairs of the corporation, subject to any directions which may be given by the Board of Directors. He shall preside at all meetings of members and of the Board of Directors.

Section 5.6. Vice Presidents. The Vice Presidents, in order of their seniority, shall, in the absence of the President, perform his duties. Any Vice President shall perform such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

Section 5.7. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties, in such sum and with such surety or sureties as the Board of Directors shall determine. He shall (a) have custody of and be responsible for all funds and securities of the Committee; receive and give receipts for moneys due and payable to the Committee from any source, and deposit all such money in the name of the Committee, in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these by-laws; and (b) in general, perform all the duties incident to the office of Treasurer

and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 5.8. Secretary. The Secretary shall (a) keep the minutes of all meetings of members and of the Board of Directors; (b) see that all notices are duly given in accordance with the provision of these by-laws or as required by law; (c) be custodian of the corporate records and of the seal of the Committee and see that the seal of the Committee is affixed to all documents, the execution of which on behalf of the Committee under its seal is duly authorized under the provisions of these by-laws; (d) keep a register of the post office addresses of each member which shall be furnished to the Secretary by such member; and (e) in general, perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

Section 5.9. Assistant Treasurers and Assistant Secretaries. The Assistant Treasurers shall, respectively, if required by the Board of Directors, give bond for the faithful discharge of their duties, in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and the Assistant Secretaries in general shall perform such duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the President or by the Board of Directors, and in addition the Assistant Secretary shall have all of the powers and authorities given the Secretary.

Section 5.10. Compensation. The Board of Directors, by the affirmative vote of a majority of directors then in office, and irrespective of any personal interest of any of the directors, shall have authority to establish reasonable compensation of all officers for their services to the Committee. No officer shall be prevented from receiving such compensation by reason of the fact that he is also a director of the Committee.

ARTICLE VI

Contracts, Checks, Deposits and Funds

Section 6.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Committee; such authority may be general or confined to specific instruments.

Section 6.2. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness, issued in the name of the Committee, shall be signed by such officer or officers, agent or agents of the Committee and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments may be signed by the Treasurer or an Assistant Treasurer and countersigned by one other officer of the Committee].

Section 6.3. Deposits. All funds of the Committee shall be deposited from time to time to the credit of the Committee, in such banks, trust companies or other depositories as the Board of Directors may select.

Section 6.4. Gifts. The Board of Directors may accept on behalf of the Committee any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Committee.

ARTICLE VII

Records

The Committee shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the members, Board of Directors and committees having any authority of the Board of Directors, and shall keep at its registered office or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Committee may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE VIII

Fiscal Year

The fiscal year of the Committee shall begin on January 1 of each year and end on December 31 of such year.

ARTICLE IX

Seal

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Committee and the words "Corporate Seal, Illinois."

ARTICLE X

Notices

Section 10.1. Manner of Notice. Whenever under the provisions of law, the articles of incorporation, or these by-laws notice is required to be given to any director, member of any committee designated by the Board of Directors or member, it shall not be construed to require personal delivery and such notice may be given in writing by depositing it, in a sealed envelope, in the United States mails, air mail or first class, postage prepaid, addressed (or, if to directors or committee members, by delivering it to a telegraph company, charges prepaid, for transmission to) such director, committee member or member either at his address as it appears on the books of the Committee or, in the case of such a director or committee member, at his business address; and such notice shall be deemed to be given at the time when it is thus deposited in the United States mails (or delivered to the telegraph company). Such requirement for notice shall be deemed satisfied, except in case of meetings of members with respect to which written notice is required by law, if actual notice is received orally or in writing by the person entitled thereto as far in advance of the event with respect to which notice is given as the minimum notice period required by law, the articles of incorporation or these by-laws.

Section 10.2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the General Not for Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the by-laws of the Committee, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI

Amendments

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Board of Directors at any regular or special meeting called for that purpose.

FEC Form 1
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Statement of Organization For a Political Committee

Supporting any candidate(s) for federal office and anticipating contribu-
tions or expenditures in excess of \$1,000 in any calendar year in support
of such candidate(s).

(See Reverse Side For Instructions.)

RECEIVED
FEDERAL ELECTION
COMMISSION

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain a records with respect to each election.

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1(a) Name of Committee (in full) <input type="checkbox"/> Check if name or address is changed Committee for a Constitutional Presidency - Oregon	2 Identification Number C00031856
(b) Address (number and street) (1440 N Street NW) 812 Newmark	3 Date 10/29/76
(c) City, State and ZIP code (Washington, D.C. 20005) North Bend, Oregon 97459	4 Is this an amended statement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES" fill in only those lines on which there has been a change

5 Check one:

- ☐ (a) This committee has been designated as the principal campaign committee for _____
(Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)
(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)
- ☐ (b) This committee is supporting only one candidate, and is authorized by _____
(Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election
(General, Primary, Runoff, etc)
held in _____, and will file all reports and statements with the candidate's principal campaign committee,
(Year of election in State)
(Full name of principal campaign committee)
(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)
- ☐ (c) This committee supports only one candidate _____ but is not an authorized committee.
(Name of Candidate)
- ☐ (d) This committee supports more than one Federal candidate and is not a party committee.
- ☒ (e) This committee is a State committee of the Committee for a Constitutional Presidency
(National, State, county, city) (Democratic, Republican, etc.)

6 Names of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship
None		

If the registering political committee has identified a "connected organization" above, please indicate type of organization
☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative
☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

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Statement of Organization For a Committee

(Page 2)

Name of Committee

Committee for a Constitutional Presidency - Oregon

7 Area, Scope and Jurisdiction of Committee:

- (a) Will this committee operate in more than one State? ☐ Yes ☒ No
(b) Will it operate on a statewide basis in one State? ☒ Yes ☐ No
(c) Will it primarily support candidates seeking State or local office? ☐ Yes ☒ No
(d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☒ Yes ☐ No

8 (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting:

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party

9 If this committee is supporting the entire ticket of a party, give name of party ▶

10 Identify by name, address and position, the person in possession of committee books and records

Full name	Mailing address and ZIP code	Title or position
Jari Graves-Highsmith	804 SW 4th Lake Oswego, Oregon 97034	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the section above when information is continued on separate page(s).

10030375299

Statement of Organization From Committee

(Page 3)

Name of Committee Committee for a Constitutional Presidency - Oregon			
11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):			
Full name	Mailing address and ZIP code		Title or position
Frederick H. Moy	812 Newmark North Bend, Oregon 97459		Co-Chairman
Robert C. Laskowski	2350 NW Pettygrove Portland, Oregon 97210		Co-Chairman
Jari Graves-Highsmith	804 SW 4th Lake Oswego, Oregon 97034		Treasurer
12 Does this committee plan to stay in existence beyond the current calendar year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" for how long? <input checked="" type="checkbox"/> indefinite			
13 In the event of dissolution, what disposition will be made of residual funds? <u>transfer to national affiliate-</u> <u>Committee for a Constitutional Presidency, Washington, D. C.</u>			
14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:			
Name of bank, repository, etc.		Mailing address and ZIP code	
None			
15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 439(a)):			
Report title	Dates required	Name and position of recipient	Mailing address and ZIP code
Copies of all F&C reports		Donna Morgan Administrative Assistant Campaign Finance Act Admin.	Elections and Public Records Division State Capitol Salem, Oregon 97310
Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).			
I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.			
<u>Jari Graves-Highsmith</u> (Signature of Treasurer)			<u>October 29, 1976</u> (Date)
Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g or § 441 (see instructions)			
For further information contact:		Federal Election Commission 1325 K Street, N.W. Washington, D.C. 20463	

76030375300

Statement of Organization For a Committee

(Page 2)

Name of Committee **Committee For A Constitutional Presidency - Michigan**

7 Area, Scope and Jurisdiction of Committee

- (a) Will this committee operate in more than one State? ☐ Yes ☒ No
(b) Will it operate on a statewide basis in one State? ☒ Yes ☐ No
(c) Will it primarily support candidates seeking State or local office? ☐ Yes ☒ No
(d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☐ Yes ☒ No

8 (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene J. McCarthy	3053 "Q" St., N.W. Washington, D.C. 20007	Presidency	Independent of Party

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
None			

9 If this committee is supporting the entire ticket of a party, give name of party ►

10 Identify by name, address and position, the person in possession of committee books and records

Full name	Mailing address and ZIP code	Title or position
Gary De Carolis	314 N. Sycamore St., #3 Lansing, MI 48933	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization For a Political Committee

Supporting any candidate(s) for federal office and anticipating contributions or expenditures in excess of \$1,000 in any calendar year in support of such candidate(s).

(See Reverse Side For Instructions.)

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) <input type="checkbox"/> Check if name or address is changed Committee For A Constitutional Presidency (Michigan)	2 Identification Number
(b) Address (number and street) 14890 Glastonbury	3 Date 12/2/76
(c) City, State and ZIP code Detroit, MI 48223	4 Is this an amended statement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE

5 Check one:

☐ (a) This committee has been designated as the principal campaign committee for _____ (Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)

(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

☐ (b) This committee is supporting only one candidate, and is authorized by _____ (Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election(s)
(General, Primary, Runoff, etc)
held in _____, and will file all reports and statements with the candidate's principal campaign
(Year of election in State)
committee, _____
(Full name of principal campaign committee)

(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)

☐ (c) This committee supports only one candidate _____ (Name of Candidate) but is not an authorized committee.

☐ (d) This committee supports more than one Federal candidate and is not a party committee.

☒ (e) This committee is a State committee of Independent Candidates.
(National, State, county, city) (Democratic, Republican, etc.)

6 Names of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship
None		

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative

☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization a Committee

(Page 3)

Name of Committee **Committee For A Constitutional Presidency - Michigan**

11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):

Full name	Mailing address and ZIP code	Title or position
John J. Jachman	14890 Glastonburg Detroit, MI 48223	Chairperson
Diana Jachman	14890 Glastonburg Detroit, MI 48223	Ass't Treasurer

12 Does this committee plan to stay in existence beyond the current calendar year? ☒ Yes ☐ No
If "Yes" for how long? Indefinite

13 In the event of dissolution, what disposition will be made of residual funds? At present there are no funds.

14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
none	

15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 439(a)):

Report title	Dates required	Name and position of recipient	Mailing address and ZIP code
none			

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Lucy R. LaCelle
(Signature of Treasurer)

12/2/76
(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g or § 441j (see instructions)

For further
information
contact:

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

PEC Form 1
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Statement of Organization For a Political Committee

Supporting any candidate(s) for federal office and anticipating contribu-
tions or expenditures in excess of \$1,000 in any calendar year in support
of such candidate(s).

(See Reverse Side For Instructions.)

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COMMISSION

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Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) <input type="checkbox"/> Check if name or address is changed Committee for a Constitutional Presidency-Wisconsin	2 Identification Number
(b) Address (number and street) #311, 433 West Gilman Street	3 Date November 1, 1976
(c) City, State and ZIP code Madison, Wisconsin 53703	4 Is this an amended statement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE

5 Check one:

☐ (a) This committee has been designated as the principal campaign committee for _____ (Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)

(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

☐ (b) This committee is supporting only one candidate, and is authorized by _____ (Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election
(General, Primary, Runoff, etc.)
held in _____, and will file all reports and statements with the candidate's principal campaign committee, _____
(Year of election in State) (Full name of principal campaign committee)

(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (PEC FORM 2a)

☐ (c) This committee supports only one candidate _____ (Name of Candidate) but is not an authorized committee.

☐ (d) This committee supports more than one Federal candidate and is not a party committee.

☒ (e) This committee is a State committee of the Committee for a Constitutional Presidency
(National, State, county, city) (Democratic, Republican, etc.)

8 Names of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship
McCarthy '76 -Wisconsin	302 State Street Madison, Wis. 53703	Campaign commit

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative

☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

76030380267

Statement of Organization For a Committee

(Page 3)

Name of Committee
Committee for a Constitutional Presidency-Wisconsin

11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):

Full name	Mailing address and ZIP code	Title or position
Timothy Alan Provis	#311, 433 West Gilman ST. Madison, Wisconsin 53703	Chairman
Timothy J.A. Johnson	3P University Houses Madison, Wisconsin 53705	Treasurer

12 Does this committee plan to stay in existence beyond the current calendar year? ☒ Yes ☐ No
If "Yes" for how long? Indefinitely

13 In the event of dissolution, what disposition will be made of residual funds?
Donated to the common school fund

14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
UNITED BANK AND TRUST	222 WEST WASHINGTON MADISON, WISC. 53703

15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 437(a)):

Report title	Date required	Name and position of recipient	Mailing address and ZIP code
1. Registration Statement			
2. Pre-primary Report		State Elections Board	
3. Post-primary Report		1 West Wilson Street	
4. Pre-General Report		Madison, Wisconsin	
5. Post General Report		53702	
6. Mid-year & Year-End Reports			

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Timothy J.A. Johnson
(Signature of Treasurer)

Nov. 1, 1976
(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g or § 441j (see instructions)

For further
information
contact:

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Statement of Organization For a Committee

(Page 2)

Name of Committee Committee for a Constitutional Presidency-Wisconsin			
7 Area, Scope and Jurisdiction of Committee:			
(a) Will this committee operate in more than one State?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N
(b) Will it operate on a statewide basis in one State?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N
(c) Will it primarily support candidates seeking State or local office?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N
(d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N
8 (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting:			
Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene Joseph McCarthy	3053 Q Street, N.W. Washington, D.C. 20007	President	Independent
(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless committee is supporting the entire ticket of a party as indicated in line 9)			
Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
None			
9 If this committee is supporting the entire ticket of a party, give name of party ▶			
10 Identify by name, address and position, the person in possession of committee books and records			
Full name	Mailing address and ZIP code	Title or position	
Timothy J.A. Johnson	3F UNIVERSITY HOUSES MADISON, WISCONSIN 53705	Treasurer	
Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the section above when information is continued on separate page(s).			

76030380268

October 30, 1976

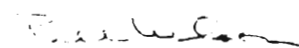
Committee for a Constitutional
Presidency -- California
711 Elmwood Ave.
Burbank, CA 91501

Dear Mr. Yeager,

My understanding is that you are handling the filing of the F.E.C.
forms, which are attached. The forms were completed as best we could
and if additional information is needed please advise us.

Sincerely,

Sing to FEC



Bill Wilson,
Treasurer

Statement of Organization For a Political Committee

Supporting any candidate(s) for federal office and anticipating contributions or expenditures in excess of \$1,000 in any calendar year in support of such candidate(s).

(See Reverse Side For Instructions.)

FEDERAL ELECTION
COMMISSION

18 MAY 10 P 4: 57

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) <input type="checkbox"/> Check if name or address is changed Committee for a Constitutional Presidency --		2 Identification Number California
(b) Address (number and street) 711 Elmwood Ave.		3 Date 10/26/76
(c) City, State and ZIP code Burbank, California 91501		4 Is this an amended statement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE

5 Check one:
☐ (a) This committee has been designated as the principal campaign committee for _____ (Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)
(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)
☐ (b) This committee is supporting only one candidate, and is authorized by _____ (Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election(s)
(General, Primary, Runoff, etc.)
held in _____, and will file all reports and statements with the candidate's principal campaign
(Year of election in State)
committee,
(Full name of principal campaign committee)
(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)
☐ (c) This committee supports only one candidate _____ (Name of Candidate) but is not an authorized committee.
☐ (d) This committee supports more than one Federal candidate and is not a party committee.
☒ (e) This committee is a **State** committee of the **Committee for a Constitutional Presidency**
(National, State, county, city) (Democratic, Republican, etc.)

6 Names of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship
None		

If the registering political committee has identified a "connected organization" above, please indicate type of organization:
☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative
☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization For a Committee

(Page 2)

Name of Committee

Committee for a Constitutional Presidency -- California

7 Area, Scope and Jurisdiction of Committee:

- (a) Will this committee operate in more than one State? ☐ Yes ☒ No
(b) Will it operate on a statewide basis in one State? ☒ Yes ☐ No
(c) Will it primarily support candidates seeking State or local office? ☐ Yes ☒ No
(d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☒ Yes ☐ No

8 (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene Joseph McCarthy	3053 Q Street, N.W. Washington, D.C. 20007	President	Independent

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
None			

9 If this committee is supporting the entire ticket of a party, give name of party ►

10 Identify by name, address and position, the person in possession of committee books and records.

Full name	Mailing address and ZIP code	Title or position
William H. Wilson	Star Route #2 Box 605-H Yucca Valley, CA 92284	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization or a Committee

(Page 3)

Name of Committee

Committee for a Constitutional Presidency -- California

11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):

Full name	Mailing address and ZIP code	Title or position
Barbara Barron	711 Elmwood Ave. Burbank, Calif. 91501	Chairperson
William H. Wilson	Star Route #2, Box 605-H Yucca Valley, Calif. 92284	Treasurer

12 Does this committee plan to stay in existence beyond the current calendar year? ☐ Yes ☒ No
If "Yes" for how long?

13 In the event of dissolution, what disposition will be made of residual funds? **To be turned over to the national**
Committee for a Constitutional Presidency

14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
None	

15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 439(a)):

Report title	Dates required	Name and position of recipient	Mailing address and ZIP code

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.


(Signature of Treasurer)

11-26-76
(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g or § 441j (see instructions)

For further
information
contact:

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

18 MAY 10 P 4: 57

FEC Form 1
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Statement of Organization For a Political Committee

Supporting any candidate(s) for federal office and anticipating contributions or expenditures in excess of \$1,000 in any calendar year in support of such candidate(s).

(See Reverse Side For Instructions.)

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) <input type="checkbox"/> Check if name or address is changed	2 Identification Number
Committee for a Constitutional Presidency -- Colorado	
(b) Address (number and street)	3 Date
1008 Corona	10/31/76
(c) City, State and ZIP code	4 Is this an amended statement <input type="checkbox"/> Yes <input type="checkbox"/> No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE
Denver Colorado 80218	

5 Check one

☐ (a) This committee has been designated as the principal campaign committee for _____ (Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)
(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

☐ (b) This committee is supporting only one candidate, and is authorized by _____ (Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election
(General, Primary, Runoff, etc.)
held in _____, and will file all reports and statements with the candidate's principal campaign committee.
(Year of election in State)
(Full name of principal campaign committee)
(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)

☐ (c) This committee supports only one candidate _____ (Name of Candidate) but is not an authorized committee.

☐ (d) This committee supports more than one Federal candidate and is not a party committee.

☒ (e) This committee is a **State** committee of the **Committee for a Constitutional Presidency**
(National, State, county, city) (Democratic, Republican, etc.)

6 Names of affiliated and or connected organizations	Mailing address and ZIP code	Relationship
None		

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative

☐ Other (please specify)

Statement of Organization For a Committee

(Page 2)

Name of Committee

Committee for a Constitutional Presidency -- Colorado

7 Area, Scope and Jurisdiction of Committee

- (a) Will this committee operate in more than one State? ☐ Yes ☒ No
(b) Will it operate on a statewide basis in one State? ☒ Yes ☐ No
(c) Will it primarily support candidates seeking State or local office? ☐ Yes ☒ No
(d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☒ Yes ☐ No

8 (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene Joseph McCarthy	3053 Q Street, N.W. Washington D.C. 20007	President	Independent

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party

9 If this committee is supporting the entire ticket of a party, give name of party

10 Identify by name, address and position, the person in possession of committee books and records

Full name	Mailing address and ZIP code	Title or position
Stewart Chapman	820 Nome Aurora Colorado 80010	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization For a Committee

(Page 3)

Name of Committee

Committee for a Constitutional Presidency -- Colorado

11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretaries, and members of finance committee):

Full name	Mailing address and ZIP code	Title or position
Mary Napp	1008 Corona 80218 Denver Colorado	Chairwoman
Stewart Chapman	820 Howe Aurora Colorado 80010	Finance Chairman

12 Does this committee plan to stay in existence beyond the current calendar year? ☒ Yes ☐ No
If "Yes" for how long? 13 In the event of dissolution, what disposition will be made of residual funds?

14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds

Name of bank, repository, etc.	Mailing address and ZIP code

15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 439(a)):

Report title	Dates required	Name and position of recipient	Mailing address and ZIP code

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

(Signature of Treasurer)

(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g or § 441j (see instructions)

For further
information
contact:Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

MCCARTHY '76

RECEIVED
FEDERAL ELECTION
COMMISSION

18 MAY 10 P 4: 57

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

October 15, 1976

Dear Friend:

Enclosed you will find the necessary legal papers that have to be filed with the Federal Election Commission by every state committee. In addition there are a number of booklets which spell out the restrictions imposed on political activity by the law. Read the appropriate sections of the booklets carefully for your own protection.

Please fill out one McCarthy 76 form and one Committee for a Constitutional Presidency form (FEC Form 1: Statement of Organization for a Political Committee). If you follow the models that we have enclosed filling the forms out should be no problem. Remember, however, that the officers of the committees must be different. The purpose behind this double filling is to solidify our claim to Federal Election Funds after the election and to see if we can't gain some of the benefits which are available under the Federal Election Act. Also, if there are any post-election court battles, the cleaner and straighter our records, the easier it should be for us to win a favorable judgment.

When you have finished filling out the forms, send one copy by certified mail to the Federal Election Commission, another to us and keep one for your own records. If you have any questions, call me, John Rogard Tabori, at the National Office or the FEC at their toll-free number which is 800-424-9530.

Yours,



John Rogard Tabori

WHEN FILLING OUT THE FORMS REMEMBER:

1. The officers of the two committees cannot be the same.
2. The Committee for a Constitutional Presidency cannot spend any money on behalf of McCarthy. It is being set up for the future. Its officers should be thinking about and be interested in the long-haul.
3. McCarthy '76 can spend what it wants on the campaign. In raising funds, however, it cannot accept more than \$1,000 per individual either in outright contributions or loans. As a matter of practical policy, no state campaign organization should go into debt (loans, credit, etc.) for more than \$1000 per Congressional District. This means \$43,000 for California, \$39,000 for New York, etc..
4. Check the deadlines for filing various reports, forms, etc. The FEC is a bit tight on such things. When sending any-formal to them, send it by certified mail. This gives you proof that it was sent and dates it.

Statement of Organization
For a Political Committee

Supporting any candidate for federal office and in support of nomination or expenditure in excess of \$1,000 in any calendar year in support of a political candidate.

(See How to Fill For Instructions)

10012

Notes: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (or full) <input type="checkbox"/> Check if name or address is changed Committee For a Constitutional Presidency -- New York	2 Identification Number
3(a) Address (number and street) 325 West Break Road	3 Date 10/16/76
4(a) City, State and ZIP Code New Green City, New York	4 Is this an amended statement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE

5 Check one:
☐ (a) This committee has been designated as the principal campaign committee for _____ (Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)

(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

☐ (b) This committee is supporting only one candidate, and is authorized by _____ (Name of Candidate)
to receive contributions and make expenditures with respect to the _____ Election(s)
(General, Primary, Runoff, etc.)
held in _____, and with the all reports and statements with the candidate's principal campaign committee.
(Year of election in State)
(Full name of principal campaign committee)

(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION) (FEC FORM 2a)

☐ (c) This committee supports only one candidate _____ (Name of Candidate) but is not an authorized committee.
☐ (d) This committee supports more than one Federal candidate and is not a party committee.
6(a) This committee is a _____ committee of the _____ Party.
(National, State, county, city) (Democratic, Republican, etc.) **Committee for a Constitutional Presidency**

7 Name of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship
---	------------------------------	--------------

None

If the foregoing committee is identified as a "connected organization" above, please indicate type of organization:
☐ Corporation ☐ Partnership ☐ Sole proprietorship ☐ Trust or estate ☐ Other (specify) _____
☐ Cooperative

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization for Committee

(Page 2)

Name of Committee: **McCARTHY '76 -- New York**

7. Area, Scope and Jurisdiction of Committee:

- (a) Will this committee operate in more than one State? ☒ Yes ☐ No
- (b) Will it operate on a statewide basis in one State? ☐ Yes ☒ No
- (c) Will it operate to support candidates seeking State or local office? ☐ Yes ☒ No
- (d) Will it, under its laws or anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☐ Yes ☒ No

8. (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting:

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene Joseph McCarthy	3053 Q Street, N.W. Washington, D.C. 20007	President	Independent

THIS IS THE PRINCIPAL
STATE CAMPAIGN
ORGANIZATION

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office that this committee is supporting (where the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party

BEST PERSON
TO LEAVE
DATE WITH

9. If this committee is supporting the entire ticket of a party, give name of party: ☒

10. Identify by name, address and position, the person in possession of committee books and records:

Full name	Mailing address and ZIP code	Title or position
John/Jane Smith	172 East 95th Street New York, New York 10028	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to the statement of Organization. Indicate in the space of your entry above when information is continued on separate page(s).

31010240362

Name of Committee **McCARTHY '76 -- New York**

11 List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):

Full name	Mailing address and ZIP code	Title or position
Jane Doe	1520 East Parkway Rd. Jamaica, New York	Chairwoman
Joe Green	2122 Apple Tree Way Albany, New York	Vice-Chairman
BOB Money	722 Wall Street New York, New York	Finance Chairman
Etc.....		

If you run out of space, attach a sheet

12 Does this committee plan to stay in existence beyond the current calendar year? ☐ Yes ☒ No
If "Yes" for how long?

13 In the event of dissolution, what disposition will be made of residual funds? They will be turned over to the
Principal Campaign Committee, McCarthy '76 in Washington, D.C.

14 List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
The Rip-Off Bank of New York	1533 Fleece Street New York, New York

15 List all election reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to USC 439(a)):

Report title	Dates required	Name and position of recipient	Mailing address and ZIP code
CHECK WITH YOUR STATE! VERY IMPORTANT			
1. SEC. OF STATE			
2. STATE BOARD OF ELECTIONS			
3. STATE ATTN. GENERAL.			

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

John Smith

(Signature of Treasurer)

Oct. 16, 1976

(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g or §441 (see instructions)

For further
information
contact:



Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Statement of Organization
For a Political Committee

Supporting any candidate(s) for federal office and anticipating contribu-
tions or expenditures in excess of \$1,000 in any calendar year in support
of such candidate(s).
(See Reverse Side For Instructions.)

MODEL

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) ☐ Check if name or address is changed

MCCARTHY '76 -- New York

2 Identification Number

(b) Address (number and street)

172 East 95th Street

3 Date

October 16, 1976

(c) City, State and ZIP code

New York, New York

4 Is this an amended statement? ☐ Yes ☒ No
If "YES" fill in only those lines on
which there has been a change

5 Check one:

- ☐ (a) This committee has been designated as the principal campaign committee for _____
(Name of Candidate)
a candidate for _____ in the _____ Election
(Federal office sought) (Year of election)
to be held in the State of _____
(State in which election is held)

(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

- ☒ (b) This committee is supporting only one candidate, and is authorized by Eugene Joseph McCarthy
(Name of Candidate)
to receive contributions and make expenditures with respect to the General Election(s)
(General, Primary, Runoff, etc)
held in 1976, and will file all reports and statements with the candidate's principal campaign
(Year of election in State)
committee, McCarthy '76
(Full name of principal campaign committee)

(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)

- ☐ (c) This committee supports only one candidate _____ but is not an authorized committee.
(Name of Candidate)
☐ (d) This committee supports more than one Federal candidate and is not a party committee.
☐ (e) This committee is a _____ committee of the _____ Party.
(National, State, county, city) (Democratic, Republican, etc.)

6 Name of affiliated and/or connected organizations

Mailing address and ZIP code

Relationship

None.

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

- ☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative
☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

Statement of Organization for a Committee

(Page 2)

MODEL

Name of Committee

MCCARTHY '76 -- New York

7. Area, Scope and Jurisdiction of Committee:

- (a) Will this committee operate in more than one State? ☒ Yes ☐ No
- (b) Will it operate on a statewide basis in one State? ☒ Yes ☐ No
- (c) Will it primarily support candidates seeking State or local office? ☒ Yes ☐ No
- (d) Will it support or does it anticipate supporting directly or indirectly, candidates for Federal office in excess of \$1,000 in a calendar year? ☒ Yes ☐ No

8. (a) List by name, address, office sought, and party affiliation, any candidate for Federal office that this committee is supporting:

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party
Eugene Joseph McCarthy	3053 Q Street, N.W. Washington, D.C. 20007	President	Independent

YOU ARE THE PRINCIPAL
STATE CAMPAIGN
ORGANIZATION

(b) List by name, address, office sought, and party affiliation, any candidate(s) for any other public office(s) that this committee is supporting (unless the committee is supporting the entire ticket of a party as indicated in line 9)

Full name(s) of candidate(s)	Mailing address and ZIP code	Office sought	Party

BEST PERSON
TO LEAVE
BOOBS WITH

9. If this committee is supporting the entire ticket of a party, Give name of party:

10. Identify by name, address and position, the person in possession of committee books and records:

Full name	Mailing address and ZIP code	Title or position
John/Jane Smith	172 East 95th Street New York, New York 10028	Treasurer

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section where this information is continued on separate page(s).

any time by giving written notice to the President or to the Secretary of the Committee. A resignation need not be accepted in order to be effective.

Section 4.3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this by-law, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, either within or without the State of Illinois, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 4.4. Special Meeting. A special meeting of the Board of Directors may be called by or at the request of the President or any two directors and such person or persons may fix any place, either within or without the State of Illinois, as the place for holding any special meeting of the Board so called.

Section 4.5. Notice. Except as otherwise prescribed by law, written or actual oral notice of the time and place of any special meeting of the Board of Directors shall be given at least two days previously thereto. Any director may waive notice of any meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, the articles of incorporation or by these by-laws. (See Article X.)

Section 4.6. Action Without a Meeting. Any action required by law to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote in respect of the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any articles or document filed with the Secretary of State under the General Not For Profit Corporation Act of Illinois.

Statement of Organization for a Committee

(Page 1)

M-202

Commission

No. 1

FEB. 1976

Name of Committee: McCAFFREY '76 -- New York

11. List by name, address and position, other principal officers of the committee (include chairman, treasurer, secretary, assistant treasurer, assistant secretary, members of finance committee):

Full name	Mailing address and ZIP code	Title or position
Jane Doe	1520 East Parkway Rd. Jamaica, New York	Chairwoman
Joe Green	2122 Apple Tree Way Albany, New York	Vice-Chairman
BOB Koney	722 Wall Street New York, New York	Finance Chairman
Etc.....	If you run out of space, attach a sheet	

12. Does this committee plan to stay in existence beyond the current calendar year? ☐ Yes ☒ No
If "Yes" for how long?13. In the event of dissolution, what disposition will be made of residual funds? They will be turned over to the
Principal Campaign Committee, McCaffrey '76 in Washington, D.C.

14. List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
The Rip-Off Bank of New York	1533 Fleece Street New York, New York

15. List all election reports required to be filed by this committee with State and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports (other than reports filed with Secretaries of State pursuant to 5202 (a)(1)):

Report title	Dates required	Name and position of recipient	Mailing address and ZIP code
CHECK WITH YOUR STATE! VERY IMPORTANT			
1. SEC. OF STATE			
2. STATE BOARD OF ELECTIONS			
3. STATE ATTN. GENERAL			

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate pages.

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

John Smith

(Signature of Treasurer)

Oct. 16, 1976

(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. (437) or 5443, (see instructions).

For further
information
contact:Federal Election Commission
1115 K Street, N.W.
Washington, D.C. 20463

tutional Presidency
1420 N St., N. W.
Washington, D. C. 20005

3 1 7 1 0 1 1 0 3 6 3

Ms. Elena King

Federal Election Commission

1325 K Street, NW

Washington, DC

20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 10, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS *MJE by pc*

SUBJECT: Subpoena in Relation to MUR 485 (77)

The attached subpoena, approved May 3, 1978, has been signed and sealed this date.

ATTACHMENT:
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Bruce Brown)

MUR 485 (77)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on May 3, 1978, the Commission approved by a vote of 4-0 the issuance of the subpoena attached to the General Counsel's memorandum dated April 28, 1978.

Commissioners Harris, Springer, Staebler and Thomson voted on this matter.

Date: 5-3-78

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in the Office of Commission Secretary: 4-28-78, 5:00
Circulated on 48 hour vote basis: 5-1-78, 2:00



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, DC 20463

MEMORANDUM TO: The Commission

FROM: William C. Oldaker, General Counsel *Buc*

SUBJECT: MUR 485 (77) - Request for Issuance
of Subpoena

DATE: April 28 1978

On March 29, 1978, the General Counsel's Office received a letter from Bruce Brown, the complainant in this matter, requesting the status of our investigation. It has become apparent through this letter and his original complaint, that Mr. Brown has certain personal knowledge of the facts surrounding the \$51,000 in loans from the Washington Watch to Mr. McCarthy, Mr. Poddar's loans totaling \$21,000 to the CCP, and the possibility that the Washington Watch made corporate contributions to the campaign through in-kind services.

Accordingly, we recommend that the attached subpoena for deposition regarding knowledge of these issues be issued to Mr. Brown





FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

AUTHORIZATION TO ISSUE SUBPOENAS

The Federal Election Commission hereby authorizes
the issuance of a subpoena to the following:

Mr. Bruce Brown
Route 1, Box 293
Saulte Sainte Marie, Michigan 49783

Thomas E. Harris
Chairman

William L. Springer
Commissioner

Joan D. Aikens
Vice Chairman

Neil Staebler
Commissioner

Robert O. Tiernan
Commissioner

Vernon W. Thomson
Commissioner

Date: _____





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Bruce Brown
Route 1, Box 293
Saulte Sainte Marie, Michigan 49783

Re: MUR 485

Dear Mr. Brown:

In reference to your letter dated March 29, 1973 please be advised that 2 U.S.C. §437g (3)(B) requires that "any notification or investigation [by the Commission]... shall not be made public by the Commission or by any person without the written consent of the person received such notification or the person with respect to whom such investigation is made."

Further, in connection with our investigation of this matter, the Commission has determined that you be issued a subpoena for deposition regarding your knowledge of facts surrounding the allegations therein. Accordingly, a subpoena for your deposition and a check for your per diem witness and mileage fees are enclosed.

If you have any questions concerned this matter, please contact David Spiegel or Elena King of my staff at 202-523-4529.

Sincerely,

William C. Oldaker
General Counsel

Enclosure



April 28, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached Request for Subpoenas distributed to the Commission for approval on a 48 hour tally basis.

Thank you.

100-3492

LAW OFFICES
OGDEN AND COYLE
1820 JEFFERSON PLACE N.W.
WASHINGTON, D.C. 20036

(202) 331-8464

FEDERAL ELECTION
COMMISSION

'78 MAY 9 AM 11:07

PATRICK J. OGDEN, JR.
JOHN R. COYLE
THOMAS R. MEEHAN

OF COUNSEL
JAMES BUCKLEY OSTMANN

May 8, 1978

POST OFFICE BOX 305
LUSBY, MARYLAND 20657
(301) 326-2244

2060 NORTH FOURTEENTH STREET
ARLINGTON, VIRGINIA 22201

Ms. B. Van Gelder
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C.

802575

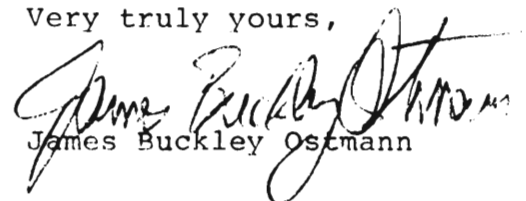
RE: MUR 485(76)

Dear Ms. Van Gelder,

The below signed represents Senator McCarthy in this matter. Pursuant to our telephone conference of today, I am enclosing a copy of the article appearing in the "State News" newspaper of Lansing, Michigan on May 2, 1978 concerning this case. Mr. Brown, the complainant in this case, contacted the paper in an effort to have this situation publicized. I was contacted by Mark Fabian, the reporter who wrote the article, last week.

Neither Senator McCarthy nor the Committee for a Constitutional Presidency authorized or consented to this public statement by Mr. Brown. Consequently, it appears that Mr. Brown has violated Section 437g(a)(3)(B) of the Act. Accordingly, a complaint thereon will be forthcoming from both Senator McCarthy and the Committee.

Very truly yours,


James Buckley Ostmann

McCarthy campaign probed

By MARK FABIAN
State News Staff Writer

The Federal Elections Commission is investigating charges that former independent presidential candidate Eugene McCarthy accepted illegal campaign contributions from the president of a Lansing-based newsletter.

Bruce Brown, former business manager of "Washington Watch" newsletter, located at 3308 S. Cedar St., filed the charges with the FEC in December 1977.

In his complaint, Brown charged that:

- Shrikumar Poddar, publisher and president of "Washington Watch," contributed more than the \$1,000 FEC limit on personal gifts to candidates.

- Poddar laundered \$51,000 in campaign contributions for McCarthy through the books of "Washington Watch."

- McCarthy accepted an illegal corporate loan of \$68,000 from an advertising agency controlled by Poddar.

- McCarthy failed to report as campaign contributions work done by Poddar and "Washington Watch."

Brown was fired by Poddar in November but removed copies of several "Washington Watch" documents before he left. He

Lansing publisher accused of illegal gifts to candidate

included these in his complaint to the FEC.

Poddar filed suit in Ingham County Circuit Court in March 1978 against Brown for removing the documents.

According to FEC records, Poddar contributed \$200 to the Lansing-area McCarthy '76 Committee. He also contributed \$1,000 to the Committee for a Constitutional Presidency/McCarthy '76, and another \$20,000 in unsecured loans to the Committee for a Constitutional Presidency.

Brown contends the full amount of Poddar's contributions — \$21,200 — violated the FEC's \$1,000 ceiling on personal contributions to an individual candidate.

Mary Meehan, treasurer of the Committee for a Constitutional Presidency, told the FEC in a letter that her organization "is the equivalent of a political party's national committee," and thus could legally accept up

to \$20,000 from an individual.

She added that the committee spent money on vice-presidential and electoral college candidates as well as McCarthy.

Brown maintains, however, that the Committee for a Constitutional Presidency does not satisfy requirements for a national political party.

It does not hold nominating conventions, he said, or primaries as federal law requires.

He also said it was a "single candidate committee" and not a national party, since an FEC ruling states money spent for vice-presidential candidates is also spent on the presidential candidate's behalf.

McCarthy's attorney, Jim Ostman, said an independent candidate has the same constitutional rights as national political parties and is entitled to establish a national committee separate from the candidate's own committee.

Brown also alleges that Poddar laundered a personal contribution of \$51,000 to McCarthy through the books of "Washington Watch."

"Washington Watch" loaned McCarthy a total of \$51,000 over three months in 1976, according to documents Brown removed from the newsletter's office.

The newsletter's 1976 annual report filed with the state shows Poddar is the president, secretary and treasurer of "Washington Watch," his wife, Mayurika, is

the vice president and a trustee.

Brown says it was actually Poddar, and not "Washington Watch," which lent McCarthy the additional money.

Ostman said the loan was an advance against a book McCarthy is writing and that Brown may be concealing a document which makes this clear.

"We think there might have been a written document that explained the situation," Ostman said.

Ken Birch, Poddar's attorney, said Brown may have other documents that explain the \$51,000 loan as a business transaction and not a campaign contribution.

Brown also charged that McCarthy accepted illegal corporate contributions when Poddar provided \$68,000 worth of advertising for the Committee for a Constitutional Presidency through Poddar's App's Advertising Agency.

The agency has no legal charter or corporate existence, Brown claimed, and is "nothing more than a bank account controlled by Poddar."

FEC regulations state that a corporation may extend credit to a candidate provided it is "in the ordinary course of the corporation's business" and if the terms are similar to those received by non-political clients.

Brown claimed Poddar uses App's Advertising Agency only for corporations owned by Poddar and that the loan was out of the ordinary for the agency.

Ostman said the advertising agency is a division of Zipcode Publications, a Michigan corporation, and separate from "Washington Watch."

"It was not out of the ordinary for them to (continued on page 8)



McCarthy bid probed

(continued from page 1)
advance credit," Ostman said.

Brown also argued that articles written about McCarthy in "Washington Watch" would be reported as campaign contributions since Poddar worked for the McCarthy '76 National Finance Committee and run "Washington Watch" from those offices.

Ostman said, however, that neither McCarthy nor his committee controlled "Washington Watch."

"There was no control (over "Washington Watch") financial or otherwise," Ostman said.

Ostman said all of Brown's charges are "rather unsubstantiated."

"I question the sincerity of what he is doing," Ostman said. "There is a very good explanation for everything that happened."

Birch said Poddar was out of the country and had not authorized him to respond to specific allegations. Birch did say, however, that he thought Brown's allegations were made out of vindictiveness against Poddar.

Birch also questioned the FEC's investigation.

"The amounts involved in this

are miniscule," Birch said. "It seems incomprehensible to me that they (FEC) would use this law against the cleanest person in the campaign. I think they're just trying to make work for some young attorneys."

LAW OFFICES

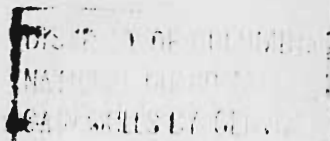
OGDEN AND COYLE

1820 JEFFERSON PLACE, N. W.

WASHINGTON, D. C. 20036

RECEIVED
FEDERAL ELECTION
COMMISSION

'78 MAY 9 AM 11:07



Ms. B. Van Gelder
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C.





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 19, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kenneth A. Birch
Law Offices
301 M.A.C. Avenue
P-K Building
East Lansing, Michigan 48823

Dear Mr. Birch:

This letter is to confirm the arrangements made during your telephone conversation on May 5, 1978 with Elena King of my staff. It is our understanding that the subpoenaed documents will be produced for examination and copying at your office on June 7, 1978 at 2:00 p.m. Mr. Poddar's deposition will be taken at 10:00 a.m. on June 8, 1978 at the State Bar Building.

If you have any questions concerning this matter, please contact Barbara Van Gelder or Elena King at (202) 523-4175 or 523-4529.

MUR FEE KLEK

Sincerely,

William C. Oldaker
William C. Oldaker
General Counsel

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.		
1. The following service is requested (check one). <input type="checkbox"/> Show to whom and date delivered. <input checked="" type="checkbox"/> Show to whom, date, and address of delivery. <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. <input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery. \$ (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO: <i>Kenneth Birch - Law Office</i> <i>301 M.A.C. Ave</i> <i>P-K Bldg. East Lansing, Mi</i>		
3. ARTICLE DESCRIPTION: REGISTERED NO. <i>48823</i> CERTIFIED NO. <i>431212</i> INSURED NO.		
(Always obtain signature of addressee or agent)		
I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input checked="" type="checkbox"/> Authorized agent <i>McKenna</i>		
4. DATE OF DELIVERY <i>5.27.78</i>		POSTMARK
5. ADDRESS (Complete only if requested)		
6. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 19, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Catherine Renner
4113 Bermuda Avenue
Saulte Sainte Marie, Michigan 49783

Dear Ms. Renner:

This letter is to conform the arrangements made with you by Ms. King of my staff that you will report a deposition for the Commission on June 6, 1978 at the Board of Commissioners Room, 3rd Floor, Circuit Court, Court St., Saulte Sainte Marie, Michigan at 1:00 p.m.

If you have any questions concerning this matter, please contact Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
William C. Oldaker
General Counsel

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1., 2., and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Ms. Catherine Renner
4113 Bermuda Ave.
Saulte Sainte Marie, Mich.
49783

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
488210

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Catherine Renner

4. DATE OF DELIVERY
5-24-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS
ju

SAULT STE MARIE
POSTMARK
24
1978
USPS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 19, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jean E. Ingram and Associates, Inc.
623 Farmstead Lane
Lansing, Michigan 48917
Attention: Linda Harris

Dear Ms. Harris:

This letter is to confirm the arrangement made by Ms. King of my staff that your firm will supply a reporter for our deposition on June 8, 1978 at the State Bar Building, 306 Townsend, Lansing, Michigan 48933, at 10:00 a.m.

If you have any questions concerning this matter, please contact Elena King at (202)523-4529.

485 ~~MUR~~ EK

Sincerely,

William C. Oldaker
William C. Oldaker
General Counsel

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.		
1. The following service is requested (check one). <input type="checkbox"/> Show to whom and date delivered. \$ <input type="checkbox"/> Show to whom, date, and address of delivery. \$ <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. \$ <input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address of delivery. \$ (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO: <i>Jean E. Ingram & Assoc. Inc.</i> <i>623 Farmstead Lane</i> <i>Lansing, Mi. 48917</i>		
3. ARTICLE DESCRIPTION:	REGISTERED NO.	CERTIFIED NO.
		<i>438009</i>
(Always obtain signature of addressee or agent)		
I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent		
<i>X E S Ingram</i>		
4. DATE OF DELIVERY	POSTMARK	
<i>5/22/78 gk</i>	<i>MAY 22 1978</i>	
5. ADDRESS (Complete only if requested)		
6. UNABLE TO DELIVER BECAUSE:		
CLERK'S INITIALS		



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 10, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shirkumar Poddar
2601 Cochise Lane
Okemos, Michigan 48864

Dear Mr. Poddar:

Enclosed please find a check for \$22.00 for your per diem witness and mileage fees for your deposition on June 8, 1978 at 10:00 a.m. at the State Bar Building.

If you have any questions please contact Mr. David R. Spiegel or Elena King of my staff at 202/523-4529.

Sincerely,

A handwritten signature in black ink, which appears to read "William C. Oldaker", is written over the typed name.

William C. Oldaker
General Counsel

cc: Ken Birch

Enclosures



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

MUR 485 EK

● SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
 Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery. \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
M. Shukumar Poddan
2601 Cochise Lane
Okemos, Michigan 48864

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 438083

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
M. Shukumar Poddan

4. DATE OF DELIVERY POSTMARK
5-12-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆ GPO : 1977-O-234-337

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

MUR 485 EK

● SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
 Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery. \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Ken Birch - Law Office
301 m. a. c. Ave.
P.O. Bldg. East Lansing, Mi.
48823

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 438086

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☒ Authorized agent
J. McKenna

4. DATE OF DELIVERY POSTMARK
5-12-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆ GPO : 1977-O-234-337

KENNETH A. BIRCH, PHILIP C. DEAN &

MICHAEL J. HLUCHANIUK



TELEPHONE 517-351-1100

301 M.A.C. AVENUE P.-K. BUILDING

EAST LANSING, MICH. 48823

440 3350

APR 21 PM 12:42

April 18, 1978

802022

Mr. William C. Oldaker
General Counsel
Federal Elections Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 48577


Dear Mr. Oldaker:

I have in my possession a Notice of Deposition that is set for May 5, 1978 at the State Bar Building in Lansing, Michigan. This letter is to inform you that my client is still out of the country and will still be in India until the 25th of May.

If you could have one of your assistants, either Mr. Spiegle or Ms. King, call me, we could set up a time after that at which we could take Mr. Poddar's deposition when he would be available.

I would also appreciate in the future that I be given a carbon copy of all notices and transmittals to my client from your agency. Please call my office if you have any questions.

Sincerely,


KENNETH A. BIRCH

KAB/jmm

KENNETH A. BIRCH, PHILIP C. DEAN &

MICHAEL J. HLUCHANIUK



301 MAC AVENUE P.K. BUILDING

EAST LANSING, MICH. 48823



APR 21 PM 12:42

Mr. William C. Oldaker
General Counsel
Federal Elections Commission
1325 K Street, NW
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 17, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mary Meehan
Committee For A Constitutional Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485

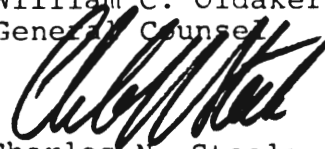
Dear Ms. Meehan:

Pursuant to your conversation with David Spiegel of the staff of the Office of the General Counsel, please be advised that the date of your deposition in the above-referenced matter has been changed from April 25, 1978 at 10:00 AM to May 1, 1978 at 10:00 AM.

If you have any further questions, please feel free to call Mr. Spiegel at 423-4529.

Sincerely yours,

William C. Oldaker
General Counsel


Charles N. Steele
Associate General Counsel



Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

CC 3261
NEW

April 11, 1978

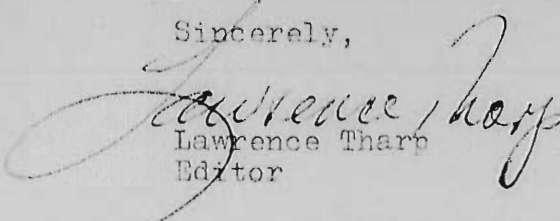
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Dear Mr. Oldaker,

Enclosed is a letter from you to Miss Denise Burgess, which was opened by mistake. We regret this inadvertence by the employee handling incoming mail.

I am returning the letter, inasmuch as we do not have a current forwarding address for Miss Burgess.

Sincerely,


Lawrence Tharp
Editor



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

Re: MUR 485 (77)

Dear Miss Burgess:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy. Section §441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The publication of certain articles in The Washington Watch relating to the McCarthy campaign may constitute such a contribution. As you were employed by The Washington Watch in 1976 and exercised some degree of control over its content, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena contains a requirement that you produce certain documents at the time of your deposition. You may wish to contact an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND
TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485 (77)

TO: Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for a deposition with regard to your duties as an employee of The Washington Watch during 1976, and the possible relationship of these duties to certain articles printed in the Watch regarding the 1976 Presidential campaign of Eugene J. McCarthy. Notice is hereby given that the deposition is to be taken at 1:00 p.m. on May 5, 1978, at State Bar Building
306 Townsend
Lansing, Michigan 48933
and at any and all adjournments thereof.

Pursuant to 2 U.S.C. §437d(a)(4), you are hereby required to make available at or before the time of this deposition the following documents:

Subpoena to Burgess

Re: MUR 485(77)

1. copies of all articles submitted to you for inclusion in The Washington Watch that pertained to the 1976 Presidential campaign of Eugene McCarthy;
2. any letters, memoranda, or memoranda of conversations with anyone regarding authorization to include these articles in The Washington Watch; and,
3. checks or other instruments of payment, or copies thereof, evidencing payment to the authors of these articles for the writing of these articles.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C. this 29th day of march, 1978.

Thomas E. Harris
Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission



Federal Election Commission
1325 K Street NW
Washington, DC 20463

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

POSTAGE AND FEES PAID



Ms. Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

CERTIFIED
943455





JEAN E. INGRAM & ASSOCIATES, INC.
MICHIGAN CERTIFIED COURT REPORTERS
623 FARMSTEAD LANE
LANSING, MICHIGAN 48917
TELEPHONE (517) 323-3422
FEDERAL ID 38-2015121

TO: DAVID R. SPIEGEL, Esq.
1325 K Street NW
Washington, D.C. 20463

RE: Lansing, Michigan Depositions
on May 5, 1978

Att: Ms. Elena King

Dear Ms. King: The State Bar Association will not have Deposition rooms available on May 5 -- they are already booked full. Accordingly, I would suggest that when you arrive in town on that date that you proceed to Lansing City Hall (across from Capitol) where our Circuit Courtrooms are. The Court Administrator's office permits the use of Jury Rooms for Depositions and we are assured there is never a problem in obtaining one at the last moment. I have adjusted our appointment book, therefore, to reflect the Depositions being held at 1 and 2 o'clock in the Ingham County Jury Rooms.

Jean E. Ingram & Associates.

313



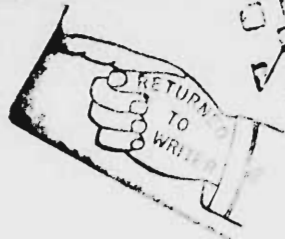
15



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.

WASHINGTON, D.C. 20463



☐ Moved let address
☒ NO SUCH NUMBER
SEARCHED AND INDEXED
SERIALIZED

3387

POSTAGE AND FEES PAID



Mr. John Boyles
511 2nd Street, S. E.
Washington, D. C. 20003

CERTIFIED
943457



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.

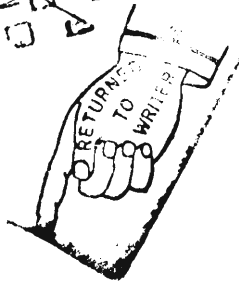
WASHINGTON, D.C. 20463

POSTAGE AND FEES PAID



Mr. John Boyles
511 2nd Street, S. E.
Washington, D. C. 20003

CERTIFIED
943457



NO SUCH NUMBER
NO SUCH ADDRESS
NO SUCH NAME





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Boyles
511 2nd Street, S.E.
Washington, D.C. 20003

Re: MUR 485(77)

Dear Mr. Boyles:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy.

Section 441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The Commission has determined that the Committee For A Constitutional Presidency's (CCP) debt of \$2,000 to you for several articles written on McCarthy's behalf for The Washington Watch may involve a corporate contribution which the CCP knowingly accepted. Accordingly, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena also contains a request that you produce certain documents at the time of your appearance. You may wish to consult an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND
TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485 (77)

TO: John Boyles
511 2nd Street, S.E.
Washington, D.C. 20003

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for deposition with regard to certain articles written on behalf of, or for Eugene J. McCarthy during the 1976 Presidential campaign. The Committee for a Constitutional Presidency's (CCP) debt of \$2,000 to you for these articles may involve the knowing acceptance of a corporate contribution in violation of 2 U.S.C. §441b(a). Notice is hereby given that the deposition is to be taken at 9:30 a.m. on May 3, 1978 at Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington D.C. 20003
and at any and all adjournments thereof.

Pursuant to 2 U.S.C. §437d(a)(4), you are hereby required to make available at or before the time of this deposition, the following documents:

Subpoena to Boyles

RE: MUR 485(77)

1. any contracts, letters, memoranda of oral agreements or other documents involving your performance of, or agreement to perform, services for the 1976 McCarthy campaign. These should include, but shall not be limited to, any documents that made reference to any payments to you by the CCP for the writing of certain articles about Eugene McCarthy for The Washington Watch;
2. any documents, such as checks, copies of checks, or other instruments of payment arising out of your performance of these services for the McCarthy campaign.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D. C., this *29th* day at *March*, 1978.

Thomas E. Harris
Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Meehan, Treasurer
Committee for a Constitutional
Presidency
1420 N Street, N. W.
Washington, D. C. 20005

RE: MUR 485(77)

Dear Ms. Meehan:

This letter is to inform you that the Federal Election Commission, pursuant to its investigation of the above-referenced matter, has issued the attached subpoena requiring the presentation of certain documents on , 1978. The Commission, on February 16, 1978, sent you a letter of notification of its investigation of issues raised in this matter and forwarded to you a copy of the complaint on February 21, 1978.

If you have any questions, please contact David Spiegel or Elena King at 523-4529.

Sincerely,

William C. Oldaker
General Counsel

Attachment



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

155 KING

● SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
Show to whom and date delivered
☐ RESTRICTED DELIVERY
Show to whom, date, and address of delivery
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mary McLean, Head
Domestic
Constitutional Pres.

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
943456

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☒ Addressee ☐ Authorized agent

4. DATE OF DELIVERY
8-9-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

APR 7 1978
U.S. POSTAL SERVICE
FRANKLIN, N.J.



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Meehan, Treasurer
Committee for a Constitutional
Presidency
1420 N Street, N. W.
Washington, D. C. 20005

RE: MUR 485(77)

Dear Ms. Meehan:

This letter is to inform you that the Federal Election Commission, pursuant to its investigation of the above-referenced matter, has issued the attached subpoena requiring the presentation of certain documents on , 1978. The Commission, on February 16, 1978, sent you a letter of notification of its investigation of issues raised in this matter and forwarded to you a copy of the complaint on February 21, 1978.

If you have any questions, please contact David Spiegel or Elena King at 523-4529.

Sincerely,

William C. Oldaker
General Counsel

Attachment



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

485 K109

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☒ RESTRICTED DELIVERY
Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery.
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mary Meehan

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
943658
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent
E. M. Meehan

4. DATE OF DELIVERY
JUL 19 1979

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485(77)

TO: Ms. Mary Meehan, Treasurer
Committee for a Constitutional Presidency
1420 N Street, N. W.
Washington, D. C. 20005

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to make available for inspection and copying the following documents on April 25, 1978, at the business office of the Committee for a Constitutional Presidency at 10:00 a.m., and at any and all adjournments thereof."

A. With respect to the status of the Committee for a Constitutional Presidency (hereinafter CCP) as a national party committee, provide the following:

1. All campaign and party literature generated by the CCP which describes issues and candidates supported by the CCP before and after it claimed, on September 3, 1976, to be a national party committee. This should include, in particular, literature generated in July, August, September, and October of 1976.

Subpoena to Meehan

Re: MUR 485 (77)

2. all documents and memoranda of conversations and meetings that pertain to the change of the CCP into a national party committee, including dates and names of persons involved;
3. the bylaws, and amendments thereto, of the "party" during 1976, including those that acknowledged the CCP as its national party committee;
4. the formal resolution, or copy thereof, adopted on October 26, 1976, by the executive committee of the CCP, nominating Eugene McCarthy as its candidate for the office of President of the United States.

B. With respect to all financial transactions of the CCP with Shrikumar Poddar, provide the following for each loan or contribution:

1. all records and documentation of all loans and contributions made by Poddar to the CCP, including, but not limited to, all loan agreements, memoranda of any oral or written loan agreements or conversations pertaining thereto;

Subpoena to Meehan

Re: MUR 485(77)

2. all records and documentation pertaining to repayment, or extension of time for repayment, of these loans, including, but not limited to, all instruments of payment, or copies thereof, and memoranda of any oral agreements to renew or extend the terms of each loan.

C. With respect to services rendered by The Washington Watch, APP's Advertising Agency, and the Educational Subscription Service for the McCarthy campaign and any financial transactions with these businesses, provide the following:

1. documentation of any written or oral agreement with any of these organizations for services, including, but not limited to: the actual agreements, or copies thereof; memoranda of any oral agreements, conversations, or letters pertaining to such agreements; invoices sent to CCP for services rendered; any records or instruments evidencing payment for services rendered;

Subpoena to Meehan

RE: MUR 485(77)

2. documentation of any contributions from any of these businesses and any loan agreements, oral or written, with any of these businesses;
3. any documentation or instruments evidencing repayment of any such loans from any of these businesses.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D. C. on this *29th* day of *March*, 1978.

Thomas E. Harris

Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485 (77)

Dear Mr. Poddar:

This is to inform you that the Federal Election Commission, pursuant to its investigation of the above-referenced matter, has issued the enclosed subpoena requiring your appearance for a deposition and the presentation of documents on , 1978. The Commission, on February 16, 1978, sent you a letter of notification of its investigation of issues raised in this matter and forwarded a copy of the complaint to you on February 21, 1978.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely,

William C. Oldaker
General Counsel

Enclosure





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485 (77)

Dear Mr. Poddar:

This is to inform you that the Federal Election Commission, pursuant to its investigation of the above-referenced matter, has issued the enclosed subpoena requiring your appearance for a deposition and the presentation of documents on , 1978. The Commission, on February 16, 1978, sent you a letter of notification of its investigation of issues raised in this matter and forwarded a copy of the complaint to you on February 21, 1978.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely,

William C. Oldaker
General Counsel

Enclosure



UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND
TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485 (77)

TO: Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for deposition with regard to issues under investigation in the above-referenced matter, described to you in the Commission's notification letter of February 16, 1978. Notice is hereby given that the deposition is to be taken at 2:00 p.m. on May 5, 1978, at State Bar Building
306 Townsend
Lansing, Michigan 48933
and at any and all adjournments thereof.

Pursuant to 2 U.S.C. §437d, you are hereby further required to make available at, or before, the time of the deposition, the following documents:

A. With respect to materials pertaining to loans and contributions made by you to Mr. McCarthy and to the Committee for a Constitutional Presidency (hereinafter CCP), provide the following:

Subpoena to Poddar

RE: MUR 485(77)

1. all records and documents pertaining to loans and contributions made by you to the CCP and to Mr. McCarthy, including but not limited to, memoranda of conversations, communications or oral agreements pertaining to each of these transactions;
2. each loan and contribution instrument, or copies thereof;
3. each loan agreement or copies thereof;
4. any instrument, or copy thereof, used to repay all or any portion of each loan;
5. any written agreement or memoranda of an oral agreement, or copy thereof, pertaining to any extension, renewal, or revision of the terms of any loan.

B. With respect to materials pertaining to loans and contributions made by The Washington Watch to McCarthy and the CCP, and services rendered by the Watch for the McCarthy campaign, provide the following:

1. all records pertaining to all loans and contributions made by the Watch to McCarthy and the

Subpoena to Poddar

RE: MUR 485(77)

CCP, including, but not limited to: all written loan agreements and memoranda of oral agreements or conversations pertaining to each of these transactions; the instruments used for each loan and contribution or copies thereof; all documents or instruments evidencing total or partial repayment of each loan, or copies thereof; documents relating to any written or oral agreement or conversation pertaining to any extension, revision, or renewal of the terms of any loan.

2. With regard to any services rendered by the Watch for the McCarthy campaign, provide:
 - a. all invoices sent to the CCP for these services;
 - b. records or memoranda pertaining to any oral or written agreements regarding these services; and,
 - c. documents indicating total or partial payment for these services.
3. Provide all issues of The Washington Watch published from September, 1975 through December, 1976.

Subpoena to Poddar

RE: MUR 485(77)

C. With respect to materials pertaining to services rendered by APP's Advertising Agency and The Educational Subscription Service to the McCarthy campaign and any loans or contributions made by these groups to McCarthy or the CCP, provide the following:

1. all records and documentation pertaining to services rendered for the CCP by these groups, including but not limited to: the agreements for services or copies thereof; memoranda or copies of letters, conversations, or oral agreements pertaining to these services; copies of all invoices sent to McCarthy or the CCP for these services; copies of any documents indicating total or partial payment for these services; the instruments of payment or copies thereof; documentation of any written or oral agreement to extend, revise, or renew the terms of payment.
2. With regard to any and all loans and contributions made by APP's or the Educational Subscription Service to McCarthy or his campaign, provide:

Subpoena to Poddar

RE: MUR 485(77)

- a. documentation or memoranda of written or oral agreements or discussions pertaining to each of these transactions;
- b. any and all loan agreements or copies thereof;
- c. documents or instruments evidencing repayment of any portion of each loan; and,
- d. documentation or memoranda of any written or oral agreements to extend, renew, or revise the terms of any loan.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D. C. on this *29th* day of *Mar.*, 1978.

Thomas E. Harris

Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

Re: MUR 495 (77)

Dear Miss Burgess:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy. Section §441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The publication of certain articles in The Washington Watch relating to the McCarthy campaign may constitute such a contribution. As you were employed by The Washington Watch in 1976 and exercised some degree of control over its content, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena contains a requirement that you produce certain documents at the time of your deposition. You may wish to contact an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

485 King

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
 Show to whom and date delivered
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Denise Burgess
110 Wash Water

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
943455

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☒ Authorized agent
Charles Haynes

4. DATE OF DELIVERY
APR 10 1978

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK
 APR 10 1978
 WASH DC

CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

Re: MUR 485 (77)

Dear Miss Burgess:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy. Section §441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The publication of certain articles in The Washington Watch relating to the McCarthy campaign may constitute such a contribution. As you were employed by The Washington Watch in 1976 and exercised some degree of control over its content, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena contains a requirement that you produce certain documents at the time of your deposition. You may wish to contact an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND
TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485 (77)

TO: Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Suite 11
Lansing, Michigan 48910

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for a deposition with regard to your duties as an employee of The Washington Watch during 1976, and the possible relationship of these duties to certain articles printed in the Watch regarding the 1976 Presidential campaign of Eugene J. McCarthy. Notice is hereby given that the deposition is to be taken at 1:00 p.m. on May 5, 1978, at State Bar Building
306 Townsend
Lansing, Michigan 48933
and at any and all adjournments thereof.

Pursuant to 2 U.S.C. §437d(a)(4), you are hereby required to make available at or before the time of this deposition the following documents:

Subpoena to Burgess

Re: MUR 485(77)

1. copies of all articles submitted to you for inclusion in The Washington Watch that pertained to the 1976 Presidential campaign of Eugene McCarthy;
2. any letters, memoranda, or memoranda of conversations with anyone regarding authorization to include these articles in The Washington Watch; and,
3. checks or other instruments of payment, or copies thereof, evidencing payment to the authors of these articles for the writing of these articles.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C. this 29th day of march, 1978.

Thomas E. Harris
Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

April 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Boyles
511 2nd Street, S.E.
Washington, D.C. 20003

Re: MUR 485(77)

Dear Mr. Boyles:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy.

Section 441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The Commission has determined that the Committee For A Constitutional Presidency's (CCP) debt of \$2,000 to you for several articles written on McCarthy's behalf for The Washington Watch may involve a corporate contribution which the CCP knowingly accepted. Accordingly, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena also contains a request that you produce certain documents at the time of your appearance. You may wish to consult an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

PS Form 3811, Apr 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☒ RESTRICTED DELIVERY.
Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery.
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
John Boyles

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
943457

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:
not forwardable

CLERK'S INITIALS *[Signature]*

TON, D. C. NO. 10
APR 10 1978
POSTMAN
INQUIRY SECTION

☆ GPO 1977-O-234-337



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Boyles
511 2nd Street, S.E.
Washington, D.C. 20003

Re: MUR 485(77)

Dear Mr. Boyles:

The Federal Election Commission is conducting an investigation into certain aspects of the 1976 Presidential campaign of Eugene McCarthy.

Section 441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting corporate contributions, made in the form of expenditures, in connection with a Federal election. The Commission has determined that the Committee For A Constitutional Presidency's (CCP) debt of \$2,000 to you for several articles written on McCarthy's behalf for The Washington Watch may involve a corporate contribution which the CCP knowingly accepted. Accordingly, the Commission has issued the enclosed subpoena requiring your appearance for a deposition. Please note that the subpoena also contains a request that you produce certain documents at the time of your appearance. You may wish to consult an attorney with respect to this matter.

Be advised that 2 U.S.C. §437g(a)(3) enjoins any person from making public the fact of "any notification or investigation" by the Commission until the respondent agrees, in writing, to make the investigation public.

If you have any questions, please contact David Spiegel or Elena King at 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



Enclosure

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND
TO PRODUCE CERTAIN DOCUMENTS

RE: MUR 485 (77)

TO: John Boyles
511 2nd Street, S.E.
Washington, D.C. 20003

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §437d, you are hereby subpoenaed to appear for deposition with regard to certain articles written on behalf of, or for Eugene J. McCarthy during the 1976 Presidential campaign. The Committee for a Constitutional Presidency's (CCP) debt of \$2,000 to you for these articles may involve the knowing acceptance of a corporate contribution in violation of 2 U.S.C. §441b(a). Notice is hereby given that the deposition is to be taken at 9:30 a.m. on May 3, 1978 at Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington D.C. 20003
and at any and all adjournments thereof.

Pursuant to 2 U.S.C. §437d(a)(4), you are hereby required to make available at or before the time of this deposition, the following documents:

Subpoena to Boyles

RE: MUR 485(77)

1. any contracts, letters, memoranda of oral agreements or other documents involving your performance of, or agreement to perform, services for the 1976 McCarthy campaign. These should include, but shall not be limited to, any documents that made reference to any payments to you by the CCP for the writing of certain articles about Eugene McCarthy for The Washington Watch;
2. any documents, such as checks, copies of checks, or other instruments of payment arising out of your performance of these services for the McCarthy campaign.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D. C., this *29th* day at *March*, 1978.

Thomas E. Harris
Thomas E. Harris, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 29, 1978

MEMORANDUM TO: CHARLES STEELE
FROM: MARJORIE W. EMMONS *mwe*
SUBJECT: MUR 485 (77) - Request for Issuance
of Subpoenas

The attached subpoenas, approved by Commissioners Harris, Thomson, Staebler, Springer, and Tiernan, have been signed and sealed this date.

Commissioner Aikens was not in favor of the subpoenas.

Commissioner Staebler pointed out a typographical error in the subpoena to John Boyles. On page 1, line 6, the word "dept" was changed to "debt" before the subpoena was presented to the Chairman for signature.

ATTACHMENT

March 28, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached request for subpoenas distributed to the Commission for approval.

Thank you.



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

March 28, 1978

MEMORANDUM TO: The Commission

FROM: William C. Oldaker
General Counsel *W.C. Oldaker*

RE: MUR 485(77) - Request for Issuance
of Subpoenas

On February 15, 1978, the Commission found reason to believe that Eugene McCarthy, the Committee for a Constitutional Presidency (CCP), Shrikumar Poddar, a friend of Mr. McCarthy, and his three businesses, The Washington Watch, APP's Advertising Agency, and the Educational Subscription Service, had violated sections of the Act. Subsequently, notification was sent to these parties. We expect to receive their responses on March 21, 1978.

As indicated in our earlier report, we feel that information needs to be developed with respect to the following areas: Mr. Poddar's loans to the CCP; loans totalling \$51,000 to Mr. McCarthy from The Washington Watch; the possibility that The Watch contributed in-kind services to the campaign through articles written in McCarthy's behalf; and the possible contribution of in-kind services to the CCP by Mr. Poddar's other businesses.

Accordingly, we recommend that the attached subpoenas for document production and depositions be issued to the following people; Shrikumar Poddar, Mary Meehan, treasurer of the CCP, and John Boyles and Denise Burgess, employees of The Washington Watch who appear to have had knowledge of the articles written about Mr. McCarthy.



AUTHORIZATION TO ISSUE SUBPOENAS

The Commission hereby authorizes the issuance of subpoenas to the following persons in connection with MUR 485(77):

Shirkumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Mary Meehan
Committee for a Constitutional
Presidency
1420 N. Street N. W.
Washington, D. C. 20005

John Boyles
511 2nd Street, S. E.
Washington, D. C. 20003

Denise Burgess
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Thomas E. Harris
Chairman

Joan D. Aikens
Vice Chairman

William L. Springer
Commissioner

Neil O. Staebler
Commissioner

Vernon W. Thomson
Commissioner

Robert O. Tiernan
Commissioner

Date

KENNETH A. BIRCH, PHILIP C. DEAN &

MICHAEL J. HLUCHANIUK



301 M.A.C. AVENUE P.-K. BUILDING

EAST LANSING, MICH. 48823

TELEPHONE 517-351-1100

7500
3137

APR 3 PM 3:45

March 31, 1978

8C1505

Mr. William C. Oldaker
General Counsel
Federal Elections Committee
1325 Kay Street, N.W.
Washington, D.C. 20463

MAIL 485

Re: Shrikumar Poddar

Dear Mr. Oldaker:

This letter is a response to the complaints made against Mr. Poddar and several corporations that Mr. Poddar is concerned with: Washington Watch, Zip Code Publications, and the Educational Subscription Service.

#1. The first issue that will be addressed is the alleged loans of \$51,000 made by Washington Watch to the Committee for Constitutional Presidency.

In the spring of 1976, Washington Watch and Eugene McCarthy entered into an agreement whereby the Washington Watch would advance to Mr. McCarthy in the form of a loan monies for the rights to an upcoming book to be written by Senator McCarthy. The money was advanced directly to Senator McCarthy, not to the Committee for Constitutional Presidency; there was no understanding or any agreement between Washington Watch and Senator McCarthy that the monies were to be used in the election. The work on that particular book had begun during the campaign and continues today. Washington Watch is still hopeful they will retrieve their investment and be able to have the book published as soon as possible. In fact, Washington Watch has expended further monies to personnel who are assisting Senator McCarthy in writing the book.

At one time there did exist a letter of agreement between Washington Watch and Senator McCarthy, and that letter is believed to have been stolen by a Mr. Bruce Brown who is the complainant to the commission in this matter. A suit has been filed charging conversion by Mr. Bruce Brown and an attempt is being made to retrieve that letter to send to the elections commission as proof of the intent of the advance. Washington Watch had no intention that the money advanced to Senator McCarthy personally should be used in the campaign. The money was not donated to the campaign nor was it the intent that the donation be ultimately used by Senator McCarthy to give to the Campaign for a Constitutional Presidency or to McCarthy '76.

#2. App's Advertising Agency.

App's Advertising Agency is a division of Zip Code Publications a Michigan Corporation. App's Advertising Agency primarily does advertising for the Educational Subscription Service which is another Michigan Corporation. It does do other publications and advertising. The rate of credit that App's extends to its customers is always the same credit to all customers with the exception of the Educational Subscription Service, to which App's Advertising Agency gives a 15% discount. In the past App's has extended credit to Senator McGovern for advertising with the same charge that is given to the Committee for Constitutional Presidency. Credit was extended to the India Foundation, International Student Alliance, Indians for Democracy, a Mr. Zolten Ferency, Mr. George Romney, and the Emergency Relief Fund for Bangladesh. All credit extended to the above parties was done at the same rate and at the same level as was done with the Committee for Constitutional Presidency. App's fully expects and requires that the Committee for Constitutional Presidency and McCarthy '76 to repay all credit extended to them. The Committee for Constitutional Presidency has made good faith and diligent efforts under the circumstances to retire its obligation.

#3. Educational Subscription Service is a Michigan Corporation which primarily deals in mail order subscriptions. The Subscription Service has vast experience in mass mailing and soliciting of funds.

In the past, the Educational Subscription Service has extended credit in the ordinary course of its business to Senator George McGovern, The India Foundation, The International Student Foundation, Mr. Zolten Ferency, Mr. George Romney, The Emergency Relief Fund for Bangladesh. The credit extended by the Education Subscription Service is no different than the credit it gives to any of its other customers. The Educational Subscription service will hold the Committee for Constitutional Presidency to the just debt owed them. They treated and will continue to treat these debts as they would any others.


#4. As to Shrikumar Poddar himself and the records sent to this office in the complaint from Mr. Bruce Brown, indicate that Mr. Poddar donated \$1,000 to the Committee for Constitutional Presidency and McCarthy '76 in the winter of 1976 during the petition drive to have Senator McCarthy placed on the ballot. It is our understanding that \$1,000 may be donated to a candidate in his petition drive and then another \$1,000 may be donated after his name is on the ballot.

Subsequently, Mr. Poddar loaned an unsecured note of \$20,000 to the Committee for Constitutional Presidency, which is the amount allowable to be donated to a political committee of a national party. It is my understanding that the Committee for Constitutional Presidency was split off from the McCarthy '76 campaign in the fall of 1976. The \$200.00 donation made by Mr. Poddar on October 26, 1976, was made to McCarthy '76, a Michigan Organization, not the Federal Election Committee.

Mr. Poddar will be out of the country until approximately April 21st and I will not be able to secure an affidavit from him as to his personal contributions until that time. Also it will take an amount of time to secure from Bruce Brown documents which he has stolen from the Washington Watch, if they are still in existence. I have sent an affidavit to Mr. Poddar's accountant which would indicate that the \$6,000 recorded donation is a misprint or a duplication of money already sent.

Thank you for the accommodation of extra time. I will forward all new material as it comes in. Please contact this office if any information is confusing or inaccurate.

Sincerely,



Kenneth A. Birch

pe

FEDERAL ELECTIONS COMMISSION

73 Apr 3 11 15

STATE OF MICHIGAN)
)SS
COUNTY OF INGHAM)

Lawrence Tharp first being duly sworn
deposes and says:

1. That he is the editor of the Washington Watch and has access to the business records of the Washington Watch including the year 1976;

2. That as a corporate officer for the Washington Watch he is aware of an obligation of one Eugene McCarthy in the sum of \$51,000 plus interest;

3. That the corporate records disclose that the obligation from Mr. Eugene McCarthy is an advance on a book to be written by Mr. Eugene McCarthy and was so loaned to him personally;

4. That work upon the book has begun and Washington Watch has the rights to publish said books and/or to have a full refund of the monies paid to Eugene McCarthy for the rights to that book;

5. That the records of the Washington Watch disclose no intent to loan the money for any other purpose other than the rights to the book;

6. That the records of the Washington Watch disclose no indication of a understanding, connivance, or conspiracy to have the money loaned from the Washington Watch to be used by Eugene McCarthy in his campaign for the presidency;

7. That the monies extended by the Washington Watch extended to Eugene McCarthy is a personal debt and to no other person or organization;

8. That the Washington Watch has begun a law suit against one Bruce Brown who has removed documents from the offices of the Washington Watch without permission;

9. That among the document believed to be taken by Mr. Brown are several documents pertaining to the advance and loan to Eugene McCarthy.

Further Affiant Sayeth Naught

Lawrence Tharp

Subscribed and sworn to before me this 27th day of March, 1978.

NOTARY PUBLIC

JEAN A. POWELL
Notary Public, Ingham County, Mich.
My Commission Expires August 24, 1980

FEDERAL ELECTIONS COMMISSION

STATE OF MICHIGAN)
)
COUNTY OF INGHAM)

Mayurika Poddar first being duly sworn deposes
and says:

1. That the affiant is a corporate officer in the Educational Subscription Service;
2. That the affiant is aware of the policies of giving credit for the Educational Subscription Service in the ordinary course of the corporation's business;
3. That the affiant is familiar with the practices in the ordinary course of business of the ESS during the year of 1976;
4. That the affiant was aware that credit was extended to the Campaign For Constitutional Prssidency by the ESS during that period of time;
5. That the affiant states that credit extended was no different from any other customers and she specifically states that credit along a similar line was extended to customers such as: George McGovern, The India Foundation, The International Student Foundation, Zolten Ferency, George Romney, and the Emergency Relief Fund for Bangladesh;
6. That the affiant is familar with App's Advertising Agency and knows that the App's Advertising Agency is a division of Zip Code Publications, a Michigan Corporation;
7. That the Educational Supscription Service does an extensive amount of business with the App's Advertising Agency and because of that amount of business is given a 15% discount on all business referrals;
8. That the affiant is the Vice President of the Zip Code Publications;
9. That the affiant is familiar with Zip Code Publications business policy having to do with the way credit

is extended in the ordinary course of the corporation's business;

10. That the affiant states that credit was extended to the Committee for Constitutional Presidency, but that the credit was extended at the same rate and the same method as other customers, specifically: Mr. George McGovern, The India Foundation, International Students Association, Zolten Ferency, George Romney, the Emergency Relief Fund for Bangladesh, and The Indians for Democracy;

11. That the affiant believes that the debts of the Committee for Constitutional Presidency are valid and enforceable debts and believes that that the campaign for constitutional presidency will repay those obligations with due diligence.

Further Affiant Sayeth Naught.

Mayurika Podda
Mayurika Podda

Subscribed and sworn to before me this 27th day of March, 1978.

Patricia S. Kradill
NOTARY PUBLIC

PATRICIA S. KRADILL
Notary Public, Ingham County, Mich.
My Comm. Expires March 23, 1981

KENNETH A. BIRCH, PHILIP C. DEAN &

MICHAEL J. HLUCHANIUK

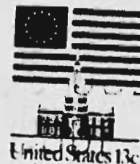


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TELEPHONE 517-351-1100

Mr. William C. Oldaker
General Counsel
Federal Elections Committee
1325 Kay Street, N.W.
Washington, D.C. 20463



NOV 3 PM '55

861522

7503148

March 29, 1978

Bruce Brown
At. 1 Box 293
Oruit Ste. Marie MI 49783

William C. Gluckler
General Counsel
Federal Elections Commission
1425 K. Street
Washington DC 20543

Dear Mr. Gluckler:

I am writing to learn if any action has been taken on the complaint I submitted to the FEC on December 17 against the Eugene McCarthy campaign and Erikumar Ponder. I assure that some progress has been made since Mr. Ponder knows the substance of my complaint.

Please be advised that Mr. Ponder moved me in a civil suit because of the information I supplied the Commission. Mr. Ponder is demanding \$10,000 from me for damages.

I was employed by Washington Watch from June 19, 1977 to November 5, 1977 at the rate of pay of \$2.90 per hour. I was fired after I complained to Ponder about business ethics. I assisted Mr. Ponder in securing special hotel rates for the Washington Watch as a non-profit corporation, and advised him that non-profit corporations are prohibited by Federal Law from making contributions to political candidates. This was an over-riding reason for my dismissal.

Since then, Mr. Ponder has blocked me from receiving unemployment insurance, and has thus far succeeded in having the Michigan Employment Security Commission enter into my record - "Dismissed for misconduct."

I am not a man of great financial means, as is Mr. Ponder, but am still determined to see justice done. I resent the political corruption in our government from Watergate to Camp David. Even though Ponder's act was small in comparison, I remember that he was a major financial adviser to the McGovern campaign in 1972, and I know the Democratic Party is still in debt from that campaign. I know of no one who deals with the McGovern campaign - except your investigators have turned up a few there.

That is another reason I am writing. I have been holding back the press on this matter so far, but the local reporters I'm sure will pick up on the civil suit. I don't want to bother your investigators with publicity - but, I intend to take my case to the courts at some time, if the advice is.

Although I cannot afford an attorney, I will fight this civil suit to best I can. Can I count on someone from your office as a friendly witness?

Please note my address above.

Sincerely yours,

STATE OF MICHIGAN
COURT FOR THE
JUDICIAL DISTRICT OF INGHAM

OF

vs

SMITH

FILED

of

JUDGE JACK W. WARREN
P21999

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

WASHINGTON WATCH,

Plaintiff,

No. 78-21510- CZ

v.

BRUCE BROWN,

Defendant.

COUNT I

NOW COMES the Plaintiff, Washington Watch,
by and through their attorney, Kenneth A. Birch, and complaining
of Defendant alleges as follows:

1. That Washington Watch is a Michigan Corporation, incorporated as a non-profit corporation in the State of Michigan;
2. That the Defendant, Bruce Brown, is a former employee of the Washington Watch;
3. That on or before November 11, 1977, Bruce Brown had removed or removed himself certain documents from the files of the Washington Watch;
4. That included in these files were documentation of agreements and payments made to Senator Eugene McCarthy having to do with a loan made to Senator McCarthy by the Washington Watch for the purpose of obtaining rights to Senator McCarthy's next book;
5. That the defendant had no claim of right to the articles he took and had no authorization to take those articles;
6. That the articles are the property of the Washington Watch and constitute a record of a transaction worth over \$51,000;

7. That in so taking property that belonged to the Washington Watch, the defendant engaged in a wrongful conversion and damaged the plaintiff in the plaintiff's ability to keep accurate records for recording purposes;

COUNT II

Lawrence Tharp, Corporate Officer
of Washington Watch

STATE OF MICHIGAN)
) SS
COUNTY OF INGHAM)

Lawrence Tharp, being duly sworn, on oath deposes and says that his the corporate officer of the plaintiff in the above entitled cause; that he has read the foregoing complaint and knows the contents thereof; that he has knowledge of the facts stated in said complaint, and that the same are true, except matters therein stated to be on information and belief, and as to such matters, he believes them to be true.

Lawrence Tharp

Subscribed and sworn to before me this 22nd day of March 1978

Witness my hand and seal this 21 day of March 1941
John Paul McKenna

A-1000 CC
 LINE
 INCHES

Bruce Brown
Rt. 1 Box 293
Sault Ste. Marie 49783



William C. Olasker
General Counsel
Federal Election Commission
1325 K. Street
Washington DC 20463

11:11 AM in 80W 91.

801178

Eugene J. McCarthy

1420 N Street, Northwest

Washington, D.C. 20005

Telephone (202) 483-2700

100
3042

10 MAR 23 AM 10:47

March 17, 1978

William C. Oldaker, Esq.
General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

Dear Mr. Oldaker:

With reference to MUR 485 (77): I deny the allegations.

However, a detailed response cannot be prepared until all relevant documents are obtained. I respectfully request that no decision be rendered by the Commission on this matter until I have had a reasonable time to secure all such documents.

Certain third parties may have in their possession some documents relevant to the case. One of the parties is out of the country at present. We are making every effort to secure the documents, and will submit a complete response to the allegations as soon as possible.

Sincerely,

Eugene J. McCarthy

EJM/mcm

Eugene J. McCarthy

1420 N Street, Northwest
Washington, D.C. 20005



'78 APR 23 AM 8:47

William C. Oldaker, Esq.
General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

Attn.: David Spiegel, Esq.

801151

RESPONSE OF THE COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY TO
BRUCE L. BROWN'S COMPLAINT TO THE FEDERAL ELECTION COMMISSION

MAR 22 AM 10:17

Submitted by Mary Meehan
Treasurer, Committee for a
Constitutional Presidency

March 21, 1978

RECEIVED
FEDERAL ELECTION

MAR 21 P 6:05

Complainant makes many references to the FEC Regulations in alleging violations by the Committee for a Constitutional Presidency and other respondents.

It should be noted that those regulations did not take effect until April 13, 1977--long after the dates of the alleged violations. (See Exhibit A.)

FIRST ALLEGATION - CONTRIBUTIONS FROM AN INDIVIDUAL IN EXCESS OF
\$1,000

The FEC General Counsel's letter of February 16, 1978 to this writer alleges that our Committee accepted loans from Mr. Poddar "totaling approximately \$27,200." This figure evidently contains a typographical error, since the complaint itself alleges receipt of loans totaling \$21,200.

Of the \$21,200 alleged, \$1,000 was contributed to the Committee for a Constitutional Presidency--McCarthy '76 in March of 1976 (during the primary election period) when that committee was the principal campaign committee of Eugene J. McCarthy. The \$200 contribution to McCarthy '76--Michigan (Lansing Area) of October, 1976, was made during the general election period. The Federal Election Campaign Act allows a campaign committee (including

principal and subordinate committee as one) to accept \$1,000 from an individual in the primary period and \$1,000 in the general election period. See 2 U.S.C., Sec. 431(a) and Sec. 441a(a)(1)(A). See, also, FEC Advisory Opinion 1975-44 (Exhibit B) and FEC Advisory Opinion 1975-53 (Exhibit C).

In September of 1976, the Committee for a Constitutional Presidency--McCarthy '76 was split into two separate committees, with the Committee for a Constitutional Presidency (CCP) becoming the equivalent of a political party's national committee. McCarthy withdrew his authorization from the CCP and authorized the new committee called "McCarthy '76" as his principal campaign committee. McCarthy '76 was incorporated in the District of Columbia. The CCP retained its incorporation in the State of Illinois. (See Exhibits D, E, F & G.)

Mr. Poddar loaned a total of \$20,000 to the CCP, as permitted by 2 U.S.C., Sec. 431(m) and Sec. 441a(a)(1)(B).

Contrary to complainant's assertion, it was correct to report the \$20,000 as "unsecured loans." We have never contested the fact that the FECA treats a loan as a contribution for purposes of the contribution limits. However, the FECA requires separate reporting of loans. See 2 U.S.C., Sec. 434(b)(5) and Sec. 436(c).

In September of 1976 we requested from the Federal Election Commission an advisory opinion dealing with the issue of the CCP as equivalent of a political party's national committee and with other issues. (See Exhibit H.) After a substantial delay, during a crucial period of the campaign, the Commission considered our

request and, by a tie vote, failed to give any answers to the questions posed. (See Exhibit I and Exhibit J.) We were thus forced to continue doing what we had done before: to rely on the constitutional guarantee of equal protection of the laws.

Complainant fails to include as an exhibit the letter of November 10, 1976 from Orlando Potter of the Federal Election Commission to me, which raised the issue of a contribution in excess of \$1,000. Yet complainant includes my response to Mr. Potter. To make the record more intelligible, both letters are attached to this response (Exhibits K and L).

Between the time of my response to Mr. Potter (November of 1976) and the time we received the current complaint from the Commission (February of 1978), we received no communication from Mr. Potter or anyone else at the Commission questioning any contribution in excess of \$1,000.

The CCP has long carried many burdens similar to those of a national party committee. It has conducted research, educational efforts, ballot placement efforts, and litigation. In 1976 alone, the CCP was involved in ballot placement lawsuits in 21 states and the District of Columbia. It was also involved in two major federal cases, Buckley v. Valeo and McCarthy v. FCC. The CCP has paid over \$27,000 in legal costs and fees for the 1976 cases; and it still owes over \$18,000 in costs and fees for those cases. (See 1976 and 1977 FEC reports of the CCP and forthcoming first-quarter 1978 FEC report of the CCP.)

It would be manifestly unfair for the CCP to bear the burdens of a national party committee and not be allowed to receive

contributions as large as those permitted to a national party committee.

Moreover, such discrimination would not be consistent with the language of the FECA. In 2 U.S.C., Sec. 431(m), "political party" is defined as "an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of such association, committee, or organization."

The CCP is the equivalent of a political party. The CCP's executive committee, on October 26, 1976, formally nominated Eugene McCarthy as its candidate for President of the United States, and so notified the Federal Election Commission. (See Exhibit M.) Eugene McCarthy's name appeared on the election ballots of 29 states as a candidate for President of the United States. By state law or tradition, on most of those state ballots he was identified simply as "independent." However, the CCP had supported the petition drives to place his name on the ballot, had supported extensive litigation to sustain his right to ballot placement, and had formally nominated him for President.

If our reading of the statutory language is correct, that language is consistent with recent court decisions affirming the right of candidates to run for office without being required to form a political party. In Storer v. Brown, 415 U.S. 724 (1974), the Supreme Court considered the argument that difficult signature requirements for an independent candidate in California were not important because that state provided the alternative of qualifying for the ballot through a new political party. The court declared,

at 745-746, that:

...the political party and the independent candidate approaches to political activity are entirely different and neither is a satisfactory substitute for the other. A new party organization contemplates a statewide, ongoing organization with distinctive political character. Its goal is typically to gain control of the machinery of state government by electing its candidates to public office. From the standpoint of a potential supporter, affiliation with the new party would mean giving up his ties with another party or sacrificing his own independent status, even though his possible interest in the new party centers around a particular candidate for a particular office. For the candidate himself, it would mean undertaking the serious responsibilities of qualified party status under California law, such as the conduct of a primary, holding party conventions, and the promulgation of party platforms. But more fundamentally, the candidate, who is by definition an independent and desires to remain one, must now consider himself a party man, surrendering his independent status. Must he necessarily choose the political party route if he wants to appear on the ballot in the general election? We think not.

More recently, in McCarthy v. Austin, 423 F. Supp. 990 (1976), a three-judge federal court noted, at 998, that:

An integral part of an independent candidate's message is his freedom from partisan ties. Even the nominal admission of partisan affiliation required by the Michigan election laws seriously compromises an independent candidate's credibility. More importantly, it penalizes him for acting in concert with his ideology by denying him an opportunity extended to similarly situated candidates not opposed to partisan affiliation. In addition to denying independent candidates and their electors the opportunity to appear on the ballot, such a scheme impairs the ability of voters to effectively register their opposition to partisan policies or practices. The restriction of the rights of independents to equal political expression and association serves no legitimate governmental interest and cannot be sustained.

Other 1976 cases also affirm the right of a candidate to run without partisan affiliation. See McCarthy v. Askew, 420 F. Supp. 775 (1976); McCarthy v. Briscoe, 418 F. Supp. 816 (1976); McCarthy v. Exon, 424 F. Supp. 1143 (1976), aff'd, 97 S. Ct. 479 (1976); McCarthy v. Kirkpatrick, 420 F. Supp. 366 (1976); McCarthy v. Slater, 553^{Okla.} P. 2d 489 (1976); McCarthy v. Tribbett, 421 F. Supp. 1193 (1976).

SECOND ALLEGATION - LAUNDERING ILLEGAL CAMPAIGN CONTRIBUTIONS

Loans reported as received by the CCP from McCarthy were, in fact, loans from McCarthy. They were received by the CCP from McCarthy directly. They were not contributions from Poddar or Washington Watch.

It is our understanding that other respondents will be replying in detail to this allegation.

THIRD ALLEGATION - UNREPORTED CONTRIBUTIONS OF THE PRINTING AND CIRCULATION OF CAMPAIGN MATERIALS

It is not true that a Washington Watch editor is to receive compensation from the CCP for articles he wrote about McCarthy in Washington Watch.

John Boyles, who was Washington Watch editor in 1976, also did--on his own time and separately from his work for Washington Watch--some work for the McCarthy campaign (drafting position papers, assistance with media production, contacts with press and opinion leaders). Mr. Boyles had also worked in the 1968 and 1972 McCarthy campaigns. There is, of course, no federal law or regulation barring a privately-employed person from participation in political campaigns.

Mr. Boyles was listed on three CCP reports as being owed \$2,000 in compensation for work done for the campaign--not for any work done for Washington Watch. The \$2,000 was a contingent liability--that is, contingent on the candidate's obtaining at least 5% of the popular vote and thus becoming eligible for public

funding. (See Exhibit N.) Since that condition was not met, the \$2,000 was not carried in the amended reports for the given periods nor in subsequent reports.

Neither the CCP nor the candidate controlled, directed or supervised the writing of any articles for Washington Watch. We did not suggest or request that Washington Watch carry articles about the McCarthy campaign. We had no financial interest--controlling or other--in Washington Watch. When Washington Watch asked for information or interviews, we cooperated--just as we cooperated with every publication and broadcast facility which sought to cover the McCarthy campaign.

Complainant alleges that Washington Watch "focused a disproportionately large amount of coverage on one candidate." With respect to this point, many court decisions indicate that the government may not question the news or editorial judgment of an independent publication. In particular, I cite the U.S. Court of Appeals for the District of Columbia Circuit in Buckley v. Valeo, 519 F. 2d 821 (1975) at 858:

....The concept of "contribution" extends only to placing something of value into the control of a candidate or his agents. Since a news story, commentary, or editorial is not within the control of the candidate or his agents, it is not a contribution, despite the obvious fact that it might redound to his benefit. The plain and simple reality is that Congress had no intention of controlling an

independent press by this statute.

....With the statute thus explained, plaintiffs have no reason to fear exposure to charges of illegal corporate contributions based on the publication of copy respecting a candidate for federal office.

FOURTH ALLEGATION - ILLEGAL CORPORATE CONTRIBUTIONS

Complainant makes several factual errors in this allegation. The money currently owed by the CCP to Apps Advertising Agency is \$16,926.03--not \$21,893.00 as stated by complainant. (See 1977 year-end FEC report of the CCP.) It is our understanding that Apps is a division of Zip Code Publications, a registered Michigan corporation; that Washington Watch is separately incorporated; and that Educational Subscription Service is separately incorporated.

Credit extended to the CCP by Apps and Educational Subscription Service did not constitute corporate contributions to the CCP.

The CCP received credit from many corporations, including: Bliss Travel Agency, Inc.; Cheshire/A Xerox Co.; Early, Cassidy & Schilling, Inc.; ESR Corporation; Ford Motor Credit Co.; Gestetner Corporation; Interstate Office Supply Co.; M. J. Murtaugh, Associates, Inc.; Tyler Business Services, Inc.; Viking-Penguin Inc.; Walter A. Brown, Inc.; Washington Post Co. (See GAO and FEC reports of the CCP from 1974 through 1977.)

The CCP has made, and continues to make, strenuous efforts to pay the debts owed to Apps, ESS, and other corporations. Our most recent payment to Apps was made in December of 1977; our most

recent payment to ESS was made in February of 1978. (See 1977 year-end FEC report of the CCP and forthcoming first-quarter 1978 FEC report of the CCP.) We anticipate a steady reduction of these debts and hope to retire them completely by the end of this year.

Our fundraising efforts since January of 1977 have included six mailings; three fundraising receptions; sale of office furniture and equipment; numerous sales of political memorabilia; and repeated efforts to collect debts owed to us. We recently instituted a monthly pledge program, and we are trying to arrange one or more benefit concerts.

It should be noted that the CCP has at all times operated under a severe handicap. We have been, and remain, subject to all of the burdens of the Federal Election Campaign Act, yet receive none of its benefits (that is, public subsidies). Nevertheless, our progress in debt retirement has been substantial. (See all FEC reports of the CCP for the year 1977 and forthcoming first-quarter 1978 FEC report of the CCP.)

Extension of credit to political committees by advertising agencies and other corporations is common practice. Several examples follow.

As of March 31, 1976, the Committee for Jimmy Carter owed Rafshoon Advertising, Inc. approximately \$176,000. As of April 30, 1976, the Carter committee owed Rafshoon Advertising approximately \$350,000. As of May 31, 1976, the Carter committee owed Rafshoon Advertising approximately \$646,000. (See Exhibits O, P & Q.)

As of December 31, 1977, the Democratic National Committee owed Merkle Press over \$18,000 for printing. The DNC's FEC report indicates that the debt had been outstanding since September of 1975 and that no payment on it had been made by the end of 1977. The same FEC report shows that the DNC had owed a large sum to the Dyna Lease Corporation (for Xerox lease) since May of 1974. Some \$22,000 of the debt had been paid; \$13,000 was still outstanding by the end of 1977. And a debt of some \$1,300 to NBC News for film production had been outstanding since September of 1975; no payment on the debt had been made. (See Exhibit R.)

The Democratic National Committee has an affiliate committee called the DNC Services Corporation. As of the end of 1977, and despite partial payment of nearly \$300,000, the DNC Services Corporation still owed Gerald Rafshoon Advertising, Inc. over \$147,000. Most of that debt had been owed since the end of 1976. At the end of 1977, the DNC Services Corporation still owed Michigan Bell Telephone Co. over \$13,000 for telephone service; that debt had been owed since the end of 1976, and no payment on it had been made. At the same time, the DNC Services Corporation still owed Sumart Press and Envelope Co., Inc. over \$6,000 for paper supplies; that debt had been owed since October of 1975, and no payment on it had been made. (See Exhibit S.)

Another interesting example is provided by the Committee for Birch Bayh in '76, which received over \$545,000 in public subsidies for the 1976 campaign. (See Exhibit T) Despite the heavy subsidy, the committee still owed many debts by the spring of 1977. Rather than continuing fundraising efforts to pay its

debts--as our Committee is still doing nearly one year later--the Bayh committee negotiated debt settlements with commercial creditors. The committee filed debt settlement agreements with the Federal Election Commission, and included in its submission information on its fundraising efforts. Those efforts apparently extended over only nine months and included only four major programs: a reception for large contributors, primarily in the Washington, DC area; a benefit concert in Indianapolis; a direct-mail appeal to all Indiana contributors; and application for more public subsidies. (See Exhibits U & V.)

The Bayh committee's chief commercial creditor was Arthur Andersen & Co., which was owed \$22,200 and settled for \$5,000--less than 25% of what it was owed. A firm named Ray Welch Associates, Inc. was owed \$8,000 for a movie of Birch Bayh and other goods or services; it settled for \$4,500. Williams and Anderson Co. was owed over \$9,000 for buttons and pins; it settled for \$4,500. Dunfey Family's Hotels & Motor Inns was owed \$5,000 for rooms, telephone service, and food; it settled for \$2,500. (See Exhibits V, W, X & Y. See, also, FEC reports of the Committee for Birch Bayh in '76 for 1976 and 1977.)


By letter of February 7, 1978, Joan D. Aikens, Vice Chairman of the Federal Election Commission, notified the Comptroller of the Bayh committee that "the Commission has recently completed its review of the settlement statements and has approved each settlement as submitted." (See Exhibit Z.)

I cite the Bayh case not because the CCP is trying to negotiate settlements with commercial creditors--we are not--but

to contrast our continuing fundraising efforts with the short-lived efforts of a committee which, unlike ours, had the benefit of government subsidies.

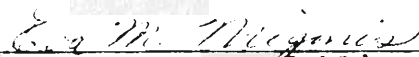
CONCLUSION

In view of the facts cited in this response, I request that the Commission determine that it has no reason to believe that the CCP is in violation of the law and that it close the file on this complaint with respect to the CCP.



Mary Meehan
Treasurer, Committee for a
Constitutional Presidency

Subscribed and sworn to before me this 21st day of March, 1978.


Notary Public

My commission expires June 14, 1980.

Title 11—Federal Elections
CHAPTER I—FEDERAL ELECTION
COMMISSION

[Notice 1977 23]

PROMULGATION OF REGULATIONS

AGENCY: Federal Election Commission.

ACTION: Final Regulation.

SUMMARY: This rule establishes the effective date for Commission regulations implementing the Federal Election Campaign Act of 1971, as amended, that were published earlier. The delay in setting the effective date is the result of the Congressional review period required by statute for Commission regulations.

EFFECTIVE DATE: April 13, 1977.

FOR FURTHER INFORMATION CONTACT:

Daniel J. Swillinger, Assistant General Counsel, (202-523-4060).

SUPPLEMENTARY INFORMATION: The Commission, by this notice, is promulgating its regulations interpreting the Federal Election Campaign Act of 1971, as amended. The regulations were published in proposed form on May 26, 1976, June 25, 1976 and July 9, 1976 in the *FEDERAL REGISTER*. The regulations were adopted by the Commission and transmitted to the Congress on August 3, 1976, as required by 2 U.S.C. § 438(c), and 26 U.S.C. §§ 9009(b) and 9039(b). The regulations were published in the *FEDERAL REGISTER* on August 25, 1976 at 41 FR 38522.

The 30 legislative day review period did not run prior to Congressional adjournment; the regulations were resubmitted to the Congress on January 11, 1977, containing amendments to the August 25 version published on September 10, 1976, at 41 FR 38522 and subsequently adopted by the Commission.

The 30 legislative day period having run on March 30, 1977, the Commission now promulgates the regulations as published on August 25, as amended by the notices of September 10 and October 18. Reprints of the *FEDERAL REGISTER* publication may be obtained from the Commission's Office of Public Information, 1325 K Street, N.W., Washington, D.C. 20463, (202) 523-4060.

VERNON W. THOMSON,
Chairman for the Federal
Election Commission.

11 CFR Chapter I is adopted, effective April 13, 1977, as published on August 25, 1976 (41 FR 38522), with the following changes:

PART 102—REGISTRATION AND ORGANIZATION OF POLITICAL COMMITTEES

1. Section 102.9 is amended by revising (c) (3) (iii); the introductory text of (c) (4); and (c) (4) (ii) to read as follows:

§ 102.9 Accounting for contributions and expenditures.

(c) . . .
 (3) . . .

(iii) The particulars of the expenditures; and

(4) When a receipted bill is not available, the treasurer may keep—

(ii) The bill, invoice or other contemporaneous memorandum of the transaction supplied to the committee by the payee containing the same information as referred to in paragraph (3) of this paragraph.

2. The second sentence of § 102.10 is revised as follows:

§ 102.10 Petty cash fund.

. . . If a petty cash fund is maintained, it shall be the duty of the treasurer of the political committee to keep and maintain a written journal of all disbursements, including the particulars of each disbursement from the fund. Such a change would make this section consistent with § 102.9(c) (3) (iii) as revised in subparagraph (1) above.

PART 104—REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

3. In § 104.2(b) (9), the text beginning with "together with the amount, date, and purpose . . ." is deleted and the following substituted therefor:

§ 104.2 Form and content of reports.

(9) . . . together with the amount, date and particulars of each such expenditure and the name, address of, and office sought by each candidate on whose behalf such expenditures were made.

PART 114—CORPORATE AND LABOR ORGANIZATION ACTIVITY

4. Paragraph (c) (2) of § 114.4 is revised as follows:

§ 114.4 Nonpartisan communications.

(2) A corporation or labor or agricultural organization may distribute or recruit (in whole or in part) any registration or voter information, such as instructional materials, which have been produced by the official election administrators for distribution to the general public. A corporation or labor organization may distribute official registration-by-mail forms to the general public in accordance with the applicable State law. The registration forms must be distributed in a nonpartisan manner, and the corporation or labor or agricultural organization may not, in connection with the distribution, endorse, support, or otherwise promote registration with a particular party.

PART 134—EXAMINATIONS AND AUDITS; REPAYMENTS

5. Paragraph (c) (2) of § 134.3 is revised as follows:

§ 134.3 Liquidation of obligations; repayment.

(2) If on the last day of candidate eligibility there are net outstanding campaign obligations, any matching funds received thereafter may be retained for a period not exceeding 6 months after the end of the matching payment period in order to liquidate those obligations. However, as of the date when the amount or amounts of matching funds received after ineligibility equal(s) the amount of the candidate's net outstanding campaign obligations, the candidate shall be obliged to repay to the Treasury that portion of any unexpended balance remaining on that date in the candidate's accounts, less the matching payments so received, which bears the same ratio to such balance as the total amount received from the matching payment account bears to the aggregate of all contributions and matching funds deposited in all the depositories through that date. Repayment shall be made within 30 days thereafter, but not later than 6 months after the end of the matching payment period.

[EE Doc 77-10890 Filed 4-12-77; 8:45 am]

Title 12—Banks and Banking
CHAPTER III—FEDERAL DEPOSIT
INSURANCE CORPORATION

SUBCHAPTER B—REGULATIONS AND
ADMINISTRATIVE POLICY

PART 329—INTEREST ON DEPOSITS

Withdrawal Prior to Maturity of a Time Deposit Which Has Become Uninsured by Virtue of a Bank Merger

ADMINISTRATIVE POLICY

ACTION: Final Rule.

SUMMARY: This rule allows for withdrawal prior to maturity of all or part of a time deposit, without penalty, in those cases where, as the result of a bank merger, a depositor has deposits which have become partially uninsured. Also, in view of the fact that this rule constitutes a limited exception to the withdrawal penalties of FDIC regulations, the text of these provisions has been slightly reworded for the sake of clarity. The FDIC is taking this action in response to public inquiry.

EFFECTIVE DATE: April 13, 1977.

FOR FURTHER INFORMATION CONTACT:

Richard L. Erdell, Bank Regulation
 Section, Legal Division, Federal Deposit
 Insurance Corporation, Washington,
 D.C. 20429, 202-389-4324.

SUPPLEMENTARY INFORMATION: For some time the federal financial supervisory agencies have been considering the advisability of allowing a partial exception to the withdrawal penalties which otherwise apply to the premature withdrawal of time deposits where, as the result of a bank merger, a depositor

FEDERAL ELECTION COMMISSION

[Notice 1976-8]

ADVISORY OPINIONS

The Federal Election Commission announces the publication today of Advisory Opinions 1975-44, 1975-100, 1975-110 and 1975-111. The Commission's opinions are in response to questions raised by individuals holding Federal office, candidates for Federal office and political committees, with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of the Federal Election Campaign Act of 1971, as amended, of Chapters 95 or 96 of Title 26, United States Code, or of Sections 608, 610, 611, 613, 614, 615, 616, or 617 of Title 18 United States Code.

The Commission points out that these advisory opinions should be regarded as interim rulings which are subject to modification by future Commission regulations of general applicability. In the event that a holding in either opinion is altered by the Commission's regulations, the persons to whom the opinions were issued will be notified.

ADVISORY OPINION 1975-44

REQUEST OF SOCIALIST WORKERS
1976 NATIONAL CAMPAIGN COMMITTEE

This advisory opinion is issued pursuant to 2 U.S.C. 437f in response to a request for an advisory opinion submitted by Ms. Andrea Marshall, Secretary of the Socialist Workers 1976 National Campaign Committee (hereinafter referred to as the Committee) and published in the Federal Register of September 3, 1975 (40 FR 40677). Interested persons were given an opportunity to submit written comments pertaining to the request. No comments were received.

The request raises several questions as well as interpretative questions under the Federal Election Campaign Act of 1971, as amended (the Act).

1. The first question concerns the individual contribution limitations of 18 U.S.C. 608(b)(1). The Committee specifically asks the following:

Does this limit apply separately to primary, run-off election, and general election? Section 6-8.5 (c) indicates that the limitation is \$2,000 for presidential candidates but fails to give any time limitation. Is it, for instance, \$1,000 between the primary and the general election? If the limitation does apply separately for candidates appearing in primary and run-off elections, does it also apply separately for candidates contesting only the general election?

The request states that the Committee has been designated as the principal campaign committee of the presidential candidate of the Socialist Workers Party; this opinion is issued in that context.

The contribution limitations in 18 U.S.C. 608(b)(1) apply separately to each election. The term election as defined in 18 U.S.C. 591(a) includes (1) "a general, special, primary, or run-off election" and (2) "a convention or caucus of a political party held to nominate a candidate." Under 18 U.S.C. 608(b)(5), all elections held in any calendar year for the office of President (except a general election for such office) are considered to be one election for purposes of the contribution limitation in 18 U.S.C. 608(b)(1). Thus, under a literal reading of section

608(b) it would appear that since the presidential candidate of the Socialist Workers Party is already nominated, all post-nomination contributions relate to the general election and are accordingly limited to \$1,000 under section 608(b)(2).

However, in this case, as in the past, the Commission is concerned to construe the provisions of the Act in a manner consistent with Constitutional requirements, regardless of a candidate's party affiliation or independent status. See AOs 1975-11 (40 FR 42839, September 16, 1975) and 1975-53 (40 FR 40678, September 3, 1975). The primary election and convention process is a procedure through which major parties typically determine their candidates for the general election. The procedure for presidential candidates of minor parties, however, differs in that most states have a separate petition process whereby such candidates may qualify for the general election ballot. Accordingly, for the purpose of applying the limitations in 18 U.S.C. 608, the Commission will view the petition process required of the presidential candidates of the minor parties as the equivalent of the primary elections and convention process of the major party candidates. Therefore, an individual may contribute \$1,000 to a presidential candidate of a minor party for his or her petition effort and \$1,000 to the candidate for his or her general election effort.

Since the dates pertaining to petition qualification vary from State to State, the Commission considers it necessary to prescribe a uniform date when, for purposes of 18 U.S.C. 608(b), the petition process ends for minor party presidential candidates. The Commission concludes that the prescribed date should be when the presidential nominee is selected before the general election of a major political party. It is noted that this date coincides with the date when an eligible minor party presidential candidate, entitled to public funding before the general election, may properly expend or obligate public funds "to further his election" (18 U.S.C. 602, 603, 604).

2. The Committee also questions the limitation [2 U.S.C. 437b(b)] of \$100 on petty cash purchases and transactions. The Committee asks whether:

This means that no check to the order of "cash" can be made for over \$100? What does a campaign committee do in a situation where a candidate or representative of a candidate is out of town and requires emergency funds in excess of \$100? What does a committee do in the case where its checks are unacceptible as a means of payment for a service vendor, for example, the U.S. Postal Service?

Under 2 U.S.C. 437b, each candidate and political committee must designate a national or State bank as a campaign depository and maintain a checking account therein. All contributions received by the committee must be deposited in this account and all expenditures, other than petty cash expenditures, must be made by check drawn on this account. A political committee may also maintain a petty cash fund from which it may make expenditures, not in excess of \$100 to any person in connection with a single purchase or transaction.

The Commission is of the opinion that checks drawn to make expenditures must be payable to a named person and not simply to "cash." Checks drawn to the order of cash are payable to the bearer and are equivalent to cash; under 2 U.S.C. 437b(b) cash expenditures may not exceed \$100 to any person in connection with a single purchase or transaction.

3. The Committee further asks for clarification of the reporting requirements (10-day pre-election and 30-day post-election reports) when candidates are not contesting special, primary, or run-off elections. Under the Commission's proposed regulations, a presidential candidate's principal campaign committee is subject to monthly reporting requirements in an election year. Section 1054(f) provides:

(f) *Monthly reporting.* (1) In any calendar year in which a general election is held (not including a special election to fill a vacancy), each Presidential candidate who makes contributions or expenditures in more than one state, his or her principal campaign committee and any other authorized committee, shall file the reports required by this Part 105 by the 10th day of the month in each month except January, November, and December of such calendar year, instead of pre- and post-primary reports and quarterly reports. These reports shall include all receipts and disbursements as of the last day of the month immediately preceding the month in which the report is filed.

(2) The pre- and post-election reports required to be filed under paragraph (b) relating to a general election, the 4th quarterly report required to be filed under paragraph (d), and the reports required to be filed prior to an election under paragraph (e), must still be filed.

4. The Committee asks what constitutes a "debt" or "obligation" itemizable under parts 11 and 12 of the reports. "Does this refer to long-term debts and obligations of say, 60 days, or something else?"

The Commission is of the opinion that a debt or obligation for purposes of the Act is anything owed to or by the Committee whether or not legally enforceable. An example of a debt owed to a political committee which would be itemized under part 11 is a written pledge for a contribution made by a contributor. The Committee should report debts or obligations it owes under part 12. The Committee should report its debts or obligations of \$500 or less, payment for which is due within 60 days of the date of the time payment is made or when the 60 day time for payment has expired, whichever is earlier. Debts over this amount or debts for which payment is not due within 60 days must be reported as of the time the debt is incurred. The Commission has approved and submitted to the Congress regulations pertaining to the reporting of debts and obligations.

5. The Committee has raised the question of whether non-principal campaign committees have to be authorized in writing by the candidate.

Under the proposed disclosure regulations, any political committee authorized by a candidate to receive contributions or make expenditures must be authorized in writing by the candidate. Contributions to such a committee are contributions to the candidate. 18 U.S.C. 602(c)(4).

If a political committee solicits or receives contributions or makes expenditures on behalf of a candidate and is not authorized in writing by such candidate to do so, the committee must include a notice on the literature and advertisements published in connection with the candidate's campaign a statement that the committee is not authorized by the candidate and that such candi-

The Commission notes parenthetically that in the case of a written pledge, the obligation could be unilaterally ended at any time, which would extinguish the reporting requirement with regard to that obligation.

FEDERAL ELECTION COMMISSION

[Notice 1975-90]

ADVISORY OPINIONS

The Federal Election Commission announces the publication today of Advisory Opinions 1975-50, 1975-53, 1975-65, 1975-85 and 1975-90. The Commission's opinions are in response to questions raised by individuals holding Federal office, candidates for Federal office and political committees, with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of the Federal Election Campaign Act of 1971, as amended, of Chapter 95 or 96 of Title 26, United States Code, or of Sections 608, 610, 611, 613, 614, 615, 616 or 617 of Title 18, United States Code.

The Commission points out that these advisory opinions should be regarded as interim rulings which are subject to modification by future Commission regulations of general applicability. In the event that a holding in either opinion is altered by the Commission's regulations, the persons to whom the opinions were issued will be notified.

ADVISORY OPINION 1975-50

APPLICABILITY OF 1974 AMENDMENTS; SCOPE OF CORPORATE CONTRIBUTION PROSCRIPTION IN SECTION 610

This advisory opinion is rendered under 2 U.S.C. § 4371 in response to a request by the campaign committee of Mr. LaCaze, a former candidate for Federal office. The request was published in AOR 1975-50 in the September 3, 1975 FEDERAL REGISTER (40 FR 40679). No comments were received.

The request states that Mr. LaCaze was a candidate for the House of Representatives from the Sixth District of Louisiana. The results of the general election of November 5, 1974, were disputed and after litigation, the State courts ordered a new election for January 7, 1975. Prior to the new election, the LaCaze Committee wrote to the Clerk of the House of Representatives requesting, in essence, an opinion as to whether the 1974 campaign law amendments were applicable to the election and, in particular, to contributions and expenditures received between January 1-7, 1975. The response, contained in a telegram, quoted from a letter of 2 U.S.C. § 4371, as amended in 1974, which stated in substance that until the qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in the subsection, the Clerk of the House of Representatives shall continue to carry out his responsibilities under Title I and Title III of the Federal Election Campaign Act of 1971, as such Titles existed on the day before the enactment of the Act.

The LaCaze Committee asks whether the Advisory Opinion of the Commission as to the applicability of the 1974 Amendments to post-December 31, 1974

expenditures (AO 1975-6 in 40 FR 31316) applies in his particular situation. The Committee also seeks opinions as to the following unrelated issues: (a) whether accrued interest payments on 1974 promissory notes executed in connection with Mr. LaCaze's Congressional campaign, if paid in 1975, are subject to the contribution and expenditure limits of the 1974 Amendments to the Federal election campaign law; (b) whether 18 U.S.C. § 610 prohibits a corporation from forgiving or settling prior debts owed by a candidate to the corporation and, if not, whether such debts can be written off as bad debts.

The first question involves an apparently unique, individual situation and as such qualifies as an isolated exception to Advisory Opinion 1975-6. The telegram from the Clerk of the House of Representatives—although not specifically stating so—was clearly subject to an interpretation that the contribution and expenditure limitations set forth in Title I of the 1974 law were inapplicable to Mr. LaCaze. As such, given Mr. LaCaze's apparent good faith reliance on the telegram, it is the conclusion of the Commission that he cannot be held to be subject to the contravening Advisory Opinion of the Commission, which was published some seven months after his campaign was concluded. However, although Mr. LaCaze's debts will be treated as if they were subject to the 1971 Federal Election Campaign Act, the debts are made to retire them are subject to the contribution and expenditure limitations of the 1974 Amendments, approved by the Commission on December 2, 1975, (40 FR 37757).

With regard to the second question, a corporation may not forgive or settle a debt advanced and received by a candidate within the meaning of the definition of "contribution", as it is set forth in 18 U.S.C. § 591(e)(1). Since the Commission has already concluded in AO 1975-6 *supra*, that the contribution and expenditure limitations set forth in 18 U.S.C. § 608(a), with the exception of a candidate's use of personal funds, may be made in an election campaign which occurred prior to January 1, 1975, the same conclusion also applies to promissory notes. Moreover, if the maker of a promissory note, in a commitment to make future interest payments to the payee, payments may be dated back to the date the note was signed. If this date in Mr. LaCaze's case is prior to January 7, 1975, then it is the Commission's conclusion that the interest payments would not be covered by the 1974 Amendments to the Federal Election Campaign Act, even if the payments were made after January 7, 1975. However, this conclusion does not apply to interest payments made by the candidate himself. These would have to be counted toward the limitation set forth in 18 U.S.C. § 608(a)(1)(C). (See AO 1975-6, *supra*, as modified by AO 1975-82, *supra*.)

The final question concerns the application of 18 U.S.C. § 610 to the settlement or forgiveness of debts owed by a candidate or political committee to cor-

porations. In general, a corporation may not forgive prior debts or settle these debts for less than the amount owed by the candidate or committee, because settlement or forgiveness of a corporate debt is a contribution under § 610. However, in certain extenuating circumstances (which shall be subject to Commission scrutiny on a case by case basis), settlement or forgiveness of such a corporate debt may not be considered a contribution under § 610 if a showing is made to the Commission that the corporate creditor has treated the outstanding debt of a candidate or political committee in a commercially reasonable manner.

Such a showing must include at least the following:

(1) That the initial extension of credit to the candidate or political committee was made in a manner and on terms similar to extensions of credit to a non-political debtor or in accordance with regulations prescribed by a regulatory Board or Commission pursuant to 2 U.S.C. § 451;

(2) That the candidate or political committee has undertaken an exhaustive effort to satisfy the outstanding debt; and

(3) The corporate creditor has pursued its remedies in a manner similar in intensity to that employed in pursuit of a non-political debtor.

The question of whether an uncollected debt of a candidate or political committee to a corporation may be written off by the corporation as a bad debt for income tax purposes does not involve issues within the statutory authority of the Commission.

The Commission notes that the limits in 18 U.S.C. § 608(a) applied to Mr. LaCaze's campaign even though he was not subject to the other limits in § 608 as added by the 1974 Amendments. This opinion does not address the question of whether Mr. LaCaze would be in violation of 18 U.S.C. § 608(a) if, having already expended up to the § 608(a) limit, he pays the State court judgments rendered against him personally for a campaign debt.

This advisory opinion is issued on an interim basis only pending promulgation by the Commission of rules and regulations or other statements of general applicability.

ADVISORY OPINION 1975-53

APPLICATION OF LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES TO NOMINATION BY A PETITION EFFORT

This advisory opinion is rendered under 2 U.S.C. § 4371, in response to a request, published on September 3, 1975 (40 FR 40679), concerning the applicability of the limitations on contributions and expenditures, contained in 18 U.S.C. § 608, to the process by which a candidate is nominated for a ballot position in a general election via a petition effort. Written comments were invited but none were received.

The request raises three separate questions. First the request asks whether the

limitation on expenditures contained in 18 U.S.C. § 608(a)(1)(C) applies to an independent candidate for the Senate who seeks to qualify for a ballot position in a general election through the gathering of petition signatures instead of seeking nomination in the party primary. The Commission is of the opinion that the limitations contained in such section do apply to a petition effort for nomination in the same manner in which they apply to candidates seeking nomination through a primary or other party selection route. 18 U.S.C. § 608(a)(1)(C) applies "in the case of any campaign for nomination for election by a candidate for the office of Senator" and is not limited by its terms to a primary election. Rather, the word campaign, as used in section 608(a)(1)(C) refers to the process by which the candidate seeks to qualify for a ballot position in a general election. Because the Commission sees a need to delineate the time when such a process ends and the general election campaign begins, it adopts the following guideline. With respect to individuals seeking a ballot position in a general election for Federal office without nomination by a party, a primary election shall be deemed to have occurred on the day prescribed by applicable State law as the last day to qualify for a position on the general election ballot or the date of the last major party primary election, whichever is later. (See Proposed Decision, 18 FR 13122, 1975-10-14.)

Adopted by the Commission on November 24, 1975. If a candidate makes expenditures during the "primary" period which are directed toward the general election, (such as buying television time during the last major party primary election, but after the close of the "primary" period) such expenditures will be charged against the candidate's general election expenditure limitation. Similarly, if a candidate incurs expenditures after the "primary" period which are directly related to his or her petition effort, those expenditures would be considered "primary" expenditures.

Second, the request asks whether, pursuant to an independent candidate, considered for purposes of the spending limitations in the same manner as a candidate for nomination in a primary, there are any restrictions on the funds used to qualify by petition other than those imposed by the Federal Election Campaign Act. The Commission's opinion is that any expenditures made for the purpose of qualifying a candidate for election to Federal office through a petition effort may be made in the same amounts and in the same manner as funds expended to qualify for nomination by running in a primary election. The Commission is currently in the process of drafting regulations which will provide direction as to how to allocate the cost of materials to the primary and general election efforts, respectively.

Third, the Commission is requested to rule on the extent to which surplus funds not expended in a petition effort may be

carried over into the general election campaign subsequent to the qualification for the general election ballot by the candidate.

The Commission is of the opinion that surplus funds remaining from a primary or petition campaign may be carried over and used in the general election so long as the general election limits on spending established by 18 U.S.C. § 608 are not exceeded. However, contributions ostensibly earmarked for the primary election or "primary" period in the instant case, which are received by the candidate after the primary election (period) will be treated as contributions for the general election unless at the time the contribution is received the amount of debts from the primary campaign exceeds the balance on hand in the primary election account. Only those post-primary contributions needed to retire the primary debt will be treated as made with respect to the primary election.

This advisory opinion is issued on an interim basis only pending promulgation by the Commission of rules and regulations or policy statements of general applicability.

ADVISORY OPINION 1975-65

CONTRIBUTION FROM IMMEDIATE FAMILY FOR SENATE CAMPAIGN

This advisory opinion is rendered under 2 U.S.C. § 437f in response to a request from Representative Bell which was published in AOR 197-03 in the FEDERAL REGISTER, September 18, 1975, 40 FR 43162. Interested parties were given an opportunity to submit written comments regarding the request, but none were received.

Representative Bell presents two issues for determination by the Commission: (1) whether the spouses of his children and his wife's brother, sister and parents are members of his "immediate family" for the purpose of limitation on contributions from family funds; (2) whether a member of a candidate's immediate family may contribute up to \$1,000 (18 U.S.C. § 608(b)(1)) from the candidate's immediate family funds to permissible expenditures from his or her family's personal funds.

1. MEMBERS OF IMMEDIATE FAMILY

18 U.S.C. § 608(a)(1) provides in pertinent part that:

No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign during any calendar year for nomination for election, or for reelection to Federal office in excess of, in the aggregate—

(A) \$50,000, in the case of a candidate for the office of President or Vice President of the United States;

(B) \$35,000, in the case of a candidate for the office of Senator . . . or

(C) \$25,000, in the case of a candidate for the office of Representative . . .

For the purposes of these limitations on contributions expenditures from personal funds, the term "immediate family" has been unanimously defined. According to the explicit language of § 608(a)(2),

"immediate family" means a candidate's spouse, and any child, parent, grandparent, brother or sister of the candidate, and the spouses of such persons.

Therefore, the brother, sister and parents of Representative Bell's wife are not regarded as members of his "immediate family," whereas the spouses of his children come within the purview of § 608(a)(2).

II. CONFLICT OF 18 U.S.C. §§ 608(a)(1) AND 608(b)(1)

Regarding the second issue raised, it is the opinion of the Commission that an immediate family member may contribute more than \$1,000 to the related Federal candidate, provided the member does not exceed the \$25,000 aggregate limit on contributions by an individual (18 U.S.C. § 608(b)(3)) and that the candidate does not surpass the ceiling on contributions and or expenditures from personal or family funds (18 U.S.C. § 608(a)(1)).

On its face, the language of § 608(a)(1) clearly supports the view of the Commission. A candidate is permitted to make campaign expenditures no greater than the amount designated for the office sought "from his personal funds, or the personal funds of his immediate family . . ." The Appellate Court in *Buckley v. Valeo*, 519 F.2d 821, at 854 (D.C. Cir., 1975), upheld § 608(a) against constitutional challenge, interpreting it as serving to restrict the state's candidate contribution limit for a candidate and his immediate family.

§ 608(a) does not relax the \$25,000 ceiling on all contributions in a calendar year, however. Each donation of a family member to the candidate must be credited against the § 608(b)(3) limit. A family member who has already made contributions aggregating \$25,000 may not, therefore, contribute further to the related candidate.

A candidate, however, is not restricted by the § 608(b)(3) ceiling in drawing monies from personal funds in conjunction with his or her own campaign. The language of § 608(a) on its face clearly overrules the application of the \$25,000 aggregate contribution limits of § 608(b)(3) as to candidates for the offices of President, Vice President, Senator, or Representative from a state which is entitled to only one Representative (18 U.S.C. § 608(a)(1)(A)-(B)).

After a candidate reaches the appropriate § 608(a) aggregate limit, further contributions by any immediate family member are prohibited. If any family member wishes to further contribute to the candidate or to the candidate's campaign committee, the candidate or another family member who has previously given should request a refund in the same amount from the principal campaign committee in order not to violate § 608(a).

This advisory opinion is issued on an interim basis pending promulgation by the Commission of rules and regulations or policy statements of general applicability.

Exhibit D

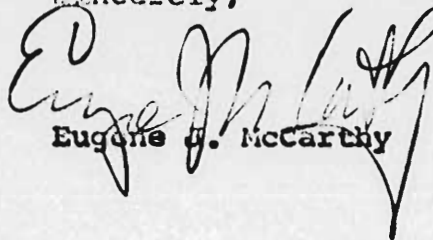
September 1, 1976

Committee for a Constitutional Presidency
1440 N Street, NW
Washington, DC 20005

Dear Friends:

On January 15, 1975 I designated the Committee for a
Constitutional Presidency-McCARTHY '76 as my principal campaign
committee. As of this date, I withdraw that authorization.

Sincerely,



Eugene J. McCarthy

EXA/jb

Amended
Statement of a Candidate
for Nomination or Election to
Federal Office

("Candidate" as defined by 2 USC 431 (b))

Exhibit E

UNDELIVERED

Note: Committees authorized to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Candidate (in full) Eugene Joseph McCarthy	2 Identification Number	3 Party Affiliation Independent
(b) Address (number and street) 3053 Q Street, N.W.	4 Office Sought President	
(c) City, State and ZIP code Washington, D.C. 20007	5 District and State of Candidate All	

Designation of Principal Campaign Committee

6 I hereby designate the following named political committee as my Principal Campaign Committee for the
General election(s) held on 11/2/76
(General, Primary, Runoff) (Date(s))

(a) Name of Committee (in full) McCARTHY 76
(b) Address (number and street) 1440 N Street, N.W.
(c) City, State and ZIP code Washington, D.C. 20005

7 I hereby designate the following national and/or state banks as campaign depositories to be used by the above political committee.

(a) Name of Bank (in full) National Bank of Washington	(a) Name of Bank (in full)
(b) Address (number and street) DuPont Circle 1337 Conn. Ave.	(b) Address (number and street)
(c) City, State and ZIP code Washington, D.C. 20036	(c) City, State and ZIP code
(a) Name of Bank (in full)	(a) Name of Bank (in full)
(b) Address (number and street)	(b) Address (number and street)
(c) City, State and ZIP code	(c) City, State and ZIP code

Candidate's Reporting Status

8 Check Reporting Status (a) or (b) whichever is applicable:

(a) I hereby certify that the above named committee and authorized agents thereof will receive and disburse ALL funds in support of my candidacy in the above election(s). Under such certification I hereby request a waiver of my reporting responsibilities. If, after filing this form, I personally receive contributions or make expenditures, the waiver becomes void and I must file a separate report as required by 2 USC 434 on Federal Election Commission Form 2.

(b) I intend to personally receive contributions and/or make expenditures in support of my candidacy and will file separate reports of such receipts and expenditures as required by 2 USC 434, on Federal Election Commission Form 2.

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

(Signature of Candidate)

September 22, 1976

(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 441 (text on reverse side of form).

For further
information
contact:

Federal Election Commission
1225 K Street, N.W.
Washington, D.C. 20463

Exhibit F

OFFICE OF RECORDER OF DEEDS, D. C.

Corporation Division
Sixth and D Streets, N. W.
Washington, D. C. 20001

CERTIFICATE

THIS IS TO CERTIFY that all provisions of the District of Columbia
Non-profit Corporation Act have been complied with and ACCORD-
INGLY this Certificate of Incorporation

is hereby issued to the MCCARTHY SEVENTY-SIX, INC.

as of the date hereinafter mentioned.

Date October 4, 1976

PETER S. RIDLEY,
Recorder of Deeds, D. C.

Margurite C. Stokes

Assistant Margurite C. Stokes
Superintendent of Corporations

ANNUAL REPORT

FOR 19 76

GENERAL NOT FOR PROFIT CORPORATION ACT

N 5050-850-1
FILE NO.

(FILING FEE \$2.00)

MICHAEL J. HOWLETT

SECRETARY OF STATE OF ILLINOIS

CORPORATE NAME
REGISTERED AGENT
REGISTERED OFFICE
CITY, STATE, ZIP CODETHE COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY
c/o Jordan Miller
360 N. Michigan Avenue
Chicago, Illinois 60601

USE A TYPEWRITER IN COMPLETING THIS REPORT

DO NOT WRITE IN THIS SPACE

FILING FEE \$

PENALTY \$

CLERK _____

- 1.) THE PRINTED INFORMATION ABOVE IS THE EXACT FORMAT MAINTAINED ON FILE BY THE SECRETARY OF STATE. IF ANY PORTION DOES NOT AGREE WITH YOUR RECORDS, YOU MUST ACQUIRE AND FILE PROPER FORMS FOR CORRECTION.
- 2.) THE ABOVE CORPORATION ORGANIZED UNDER THE LAWS OF THE STATE OF Illinois, PURSUANT TO THE PROVISIONS OF "THE GENERAL NOT FOR PROFIT CORPORATION ACT" OF THE STATE OF ILLINOIS, HEREBY MAKES THE FOLLOWING REPORT:
- 3.) THE NAMES AND RESPECTIVE ADDRESSES OF ITS OFFICERS AND DIRECTORS ARE:

NAME	OFFICE	NUMBER AND STREET	CITY	STATE
Alice Mahoney	Chairwoman	6248 North 7th Ave.,	Phoenix,	AZ
Barbara Barron	Vice-Chairwoman	711 Elmwood,	Burbank,	CA
Suzannah B. Hatt	Secretary	Stronghold, R.R. 1,	Littleton,	NH
Mary Meekins	Treasurer	3710 Raymond St.,	Chevy Chase,	MD
Jordan Miller	DIRECTOR	360 N. Michigan Ave.,	Chicago,	IL
Barbara Barron	DIRECTOR	711 Elmwood,	Burbank,	CA
Suzannah B. Hatt	DIRECTOR	Stronghold, R.R. 1,	Littleton,	NH
Judith Barry Smith	DIRECTOR	1337 - 22nd St.,	NW, Washington,	DC
Ronald Cocome	DIRECTOR	920 Windsor Rd.,	Glenview,	IL
	DIRECTOR			
	DIRECTOR			

NOTE: LIST ALL DIRECTORS ABOVE: ILLINOIS CORPORATIONS MUST HAVE AT LEAST THREE DIRECTORS.

- 4.) THE FOLLOWING IS A BRIEF STATEMENT OF THE CHARACTER OF THE AFFAIRS WHICH THE CORPORATION IS ACTUALLY CONDUCTING:

The Committee is developing and promoting an interest in governmental process and procedure and is supporting independent candidates for federal office.

- 5.) IF A FOREIGN CORPORATION, THE ADDRESS OF ITS PRINCIPAL OFFICE IN THE STATE OF ITS INCORPORATION IS:

NUMBER AND STREET

CITY

STATE OR COUNTRY

IN WITNESS WHEREOF, THE UNDERSIGNED CORPORATION HAS CAUSED THIS REPORT TO BE EXECUTED

IN ITS NAME BY ITS Secretary
(PRESIDENT, VICE PRESIDENT, SECRETARY, ASSISTANT SECRETARY, TREASURER, RECEIVER OR TRUSTEE)

THIS 27th DAY OF October, A.D. 19 76

PLACE
(CORPORATE SEAL)
HERE

The Committee for a Constitutional Presidency
EXACT CORPORATION NAME

BY Suzannah B. Hatt
(SIGNATURE OF PRESIDENT, VICE PRESIDENT, SECRETARY, ASSISTANT
SECRETARY, TREASURER, RECEIVER OR TRUSTEE.)

Suzannah B. Hatt, Secretary

STATE OF Maryland

COUNTY OF Montgomery

} S.S.

I, George R. Laney, NOTARY PUBLIC, DO HEREBY CERTIFY THAT ON THE 27th DAY OF
October, A.D. 19 76, Suzannah B. Hatt PERSONALLY APPEARED BEFORE

ME, AND BEING FIRST SWORN BY ME ACKNOWLEDGED THAT she ~~HE~~ SIGNED THE FOREGOING DOCUMENT IN THE CAPACITY THEREIN
SET FORTH AND DECLARED THAT THE STATEMENTS THEREIN CONTAINED ARE TRUE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL THE DAY AND YEAR BEFORE WRITTEN

PLACE
(NOTARIAL SEAL)
HERE

George R. Laney
NOTARY PUBLIC

NOTICE

UNDER THE GENERAL NOT FOR PROFIT CORPORATION ACT THIS ANNUAL REPORT MUST BE PROPERLY EXECUTED
WITH NOTARIAL SEAL AFFIXED AND FILED IN THE OFFICE OF THE SECRETARY OF STATE PRIOR TO MARCH 1ST OF
EACH YEAR. IF FILED ON TIME, A FILING FEE OF \$2.00 ONLY IS REQUIRED BY STATUTE. IF FILED LATER, A STATU-
TORY PENALTY OF \$1.00 MUST BE ADDED.

MCCARTHY '76

Exhibit H

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

September 3, 1976

Mr. John G. Murphy, Jr.
General Counsel
4th Floor
Federal Election Commission
1325 K St, N.W.
Washington, D.C. 20463

Dear Sir:

Pursuant to Section 437(f) of the Federal Election Campaigns Act, we request an advisory opinion on the following matters.

THE FACTS:

1. Former Senator Eugene J. McCarthy is an independent candidate for President of the United States with a principal authorized campaign committee known as the Committee for a Constitutional Presidency-McCarthy '76.
2. Senator McCarthy is presently on the ballot in more than 10 states.
3. Senator McCarthy's expenditures from personal funds in connection with his general election campaign are presently not in excess of \$50,000.

THE ISSUES IN QUESTION:

1. Clarification of Eligibility for Public Financing Under the Presidential Election Campaign Fund Act.

Guided by the language of the Supreme Court in Buckley v. Valeo, 424 U.S. 1 at 81, which noted the constitutional difficulties that might arise by excluding a candidate from public financing of qualified campaign expenses solely because such candidate lacked affiliation with a "political party" (Storer v. Brown, 415 U.S. 724, 745-6), and the remark by the Court of Appeals of the possibility of construing the Presidential Election Campaign Fund Act as affording financial assistance to independent candidates (Buckley v. Valeo, 519 F. 2d, at 887), Senator McCarthy and his principal authorized campaign committee expect to receive public financing for qualified general election campaign expenses.

For the purposes of the Presidential Election Campaign Fund Act (Title 26, Chapter 95 of the U.S. Code) and the Federal Election Campaigns Act (Title 2, Chapter 14 of the U.S. Code) will the Commission confirm:

- A. that the Committee for a Constitutional Presidency-McCarthy '76 is to be treated as a "political party".
- B. that Senator McCarthy is to be treated as a "candidate of a political party" in accordance with Chapter 95, Section 9002 (2)(B).
- C. that upon compliance with the conditions for eligibility of Chapter 95, Sections 9003 and 9004, Senator McCarthy and his principal authorized campaign committee will be entitled to receive post-election payments for qualified general election campaign expenses.

D. that the limitation prescribed in Chapter 95, Section 9004(d), holding campaign expenditures from personal funds by candidates to an aggregate of \$50,000, did not commence running until August 20, 1976, the day after the official closing of the Republican Party Convention in Kansas City, and that personal expenditures made by Senator McCarthy before that date need not be applied to the limit.

2. Clarification of the Rights and Duties of the Committee for a Constitutional Presidency-McCarthy '76 Under Chapter 95 and Chapter 14.

As we believe that the Committee for a Constitutional Presidency-McCarthy '76 should be treated as a "political party" for the purposes of Chapter 95 and Chapter 14, it will stand in the dual position of "political party" and "principal campaign committee". We believe that such a hybrid nature may cause confusion as to the rights and duties of the Committee under both Chapters. Will the Commission comment on the following:

- A. To effectively cure difficulties arising out of the dual role of the single committee, Senator McCarthy has withdrawn authorization as his principal campaign committee from the Committee for a Constitutional Presidency-McCarthy '76 and will vest that authorization in a separate entity known as McCarthy '76. The separate Committee for a Constitutional Presidency will be treated as the "political party" of which Senator McCarthy is the presidential candidate

and will name the organization located at 1440 N Street, N.W. Washington, D.C. 20005 as its "national committee". The separate McCarthy '76 will be treated as the "principal campaign committee".

- B. The fact that the Committee for a Constitutional Presidency and McCarthy '76 may share the same offices and some personnel will not affect the separate character of the two organizations as they will maintain separate charters, officers, depositories, books, and individually comply with reporting requirements.
- C. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may receive contributions from persons and committees of up to \$20,000 and \$15,000 respectively in accordance with Chapter 14, Sections 441a(a)(1)(B) and 441a(a)(2)(B).
- D. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may make expenditures in connection with the general election campaign of Senator McCarthy in accordance with Chapter 14, Section 441a (d)(2).
- E. McCarthy '76, being treated as the "principal campaign committee", may receive contributions from persons and committees of up to \$1,000 and \$5,000 respectively in

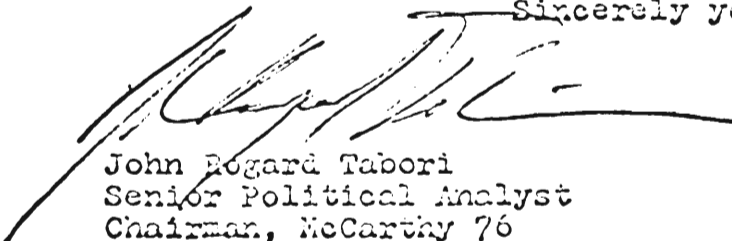
accordance with Chapter 14, Sections 441a(a)(1)(A) and 441a(a)(2)(A).

F. McCarthy '76, being treated as the "principal campaign committee", may make expenditures in connection with the general election campaign of Senator McCarthy of up to \$21,800,000 in accordance with Chapters 14, Sections 441a(b)(1)(B) and 441a(c).

G. All qualified campaign debts made by the Committee for a Constitutional Presidency-McCarthy '76, between August 20, 1976 and the date of withdrawal of authorization, are to be considered as made by the candidate and his principal authorized campaign committee and are thus eligible for public financing under Chapter 95; all future debts made by the Committee for a Constitutional Presidency are to be considered made by the "political party" and all future debts made by McCarthy '76 are to be considered made by the "principal campaign committee".

Since these matters are of vital importance to Senator McCarthy and to the ability of the campaign to carry forward, we would appreciate it if the Commission could see its way to expediting its answer to these questions.

Sincerely yours,


John Rogard Tabori
Senior Political Analyst
Chairman, McCarthy 76



Mary Meehan
National Director of
State Organizations
Treasurer, Committee for
a Constitutional Presidency

Exhibit I



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON D.C. 20463

September 8, 1976

AOR 1976-81

Ms. Mary Meehan
Mr. John Rogard Tabori
McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Dear Ms. Meehan and Mr. Tabori:

We have received your letter of September 3, 1976, requesting the views of the Federal Election Commission concerning the Federal Election Campaign Act of 1971, as amended.

Your inquiry is under consideration by our legal staff and you may expect a substantive response at an early date.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "N. Bradley Litchfield", is written over a rectangular stamp.

N. Bradley Litchfield
Assistant General Counsel



Minutes for Thursday,
October 14, 1976

Exhibit J
Excerpt from Minutes
of the Regular Meeting
of the Federal Election Commission

page 4

primary matching funds under Sections 9034 and 9037 (26 U.S.C. 9034 and 9037) as reported by the FEC staff in Exhibit II.

The motion carried unanimously.

B. The Sanford for President Committee

Chairman Thomson stated that a report titled, "The Sanford for President Committee," had been submitted by the Compliance Review Section of the Office of Disclosure and Compliance, and was before the Commission for discussion and action. This document was labeled Exhibit II-B for October 14, 1976. Discussion was held.

Chairman Thomson recognized Commissioner Staebler who

moved that the Commission approve the report submitted in Exhibit II-B, and advise the candidate of the findings in the report by sending the attached draft letter.

The motion carried unanimously.

III. ADVISORY OPINIONS

A. AO 1976-81

Chairman Thomson stated that Commission Memorandum #977, containing a draft AO 1976-81, had been labeled Exhibit III-A-1 for October 14, 1976, and was before the Commission for discussion and action.

Chairman Thomson recognized General Counsel Murphy who circulated proposed alternative language for page five of the draft

opinion. This document was labeled Exhibit III-A-2 for October 14, 1976.

Chairman Thomson recognized Commissioner Staebler who circulated a memorandum pertaining to the draft opinion, and this was labeled Exhibit III-A-3 for October 14, 1976.

Discussion was held.

Chairman Thomson recognized Commissioner Springer who

moved adoption of AO 1976-81 as set forth
in Exhibit III-A-1.

The motion did not carry. The vote was:

YEA: (3) Commissioners Aikens, Springer and Thomson

NAY: (3) Commissioners Harris, Staebler and Tiernan.

B. AOR 1976-59

Chairman Thomson stated that Commission Memorandum #982 contained draft AOR 1976-59 which had been labeled Exhibit III-B for October 14, 1976, and was before the Commission for discussion and action. Discussion was held.

Chairman Thomson recognized Commissioner Springer who

moved adoption of AOR 1976-59 as set forth
in Exhibit III-B.

The motion did not carry. The vote was:

YEA: (3) Commissioners Springer, Staebler and Thomson

NAY: (3) Commissioners Aikens, Harris and Tiernan.

C. AO 1976-90

Chairman Thomson stated that Commission Memorandum #982 had contained a draft AO 1976-90 which had been labeled Exhibit III-C for

Exhibit K



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463
November 10, 1976

Mary Meehan, Treasurer
Committee for a Constitutional
Presidency-McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Dear Ms. Meehan:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. This law has, as you know, many and sometimes complex provisions. One such provision precludes individuals and political committees, other than certain multicandidate committees, from making political contributions to a candidate for Federal election in excess of \$1,000 per election. The Act defines a multicandidate committee as one which has been registered for a period of not less than six months; has received contributions from more than fifty persons; and has made contributions to five or more candidates for Federal office.

During review of the October 10 Quarterly Report of Receipts and Expenditures filed with the Federal Election Commission, we noticed an entry indicating that you may have received a contribution which exceeds the limits noted above. A copy of that portion of your report is attached so that a review of your records can be made.

If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

If you find that the contribution you received was in excess of the limits set forth in the Act, the Commission recommends that you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of Receipts and Expenditures.

Please notify the Commission within ten (10) days of receipt of this letter of the determination made on this matter. If you have any questions, please do not hesitate to contact Nancy Davis (202/382-3484) our reports analyst assigned to you.

Sincerely,

Orlando B. Potter

Orlando B. Potter
Staff Director



Enclosure
Return Receipt
Requested: Certified

Exhibit L

November 16, 1976

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

RE: RADO163RS

Dear Mr. Potter:

As we advised the Federal Election Commission's General Counsel, by letter of September 3, 1976, the Committee for a Constitutional Presidency is the equivalent of a political party's national committee. As such, it contributed to presidential candidate Eugene J. McCarthy, to vice presidential candidates, and to candidates for presidential elector.

I am Treasurer of the Committee for a Constitutional Presidency. (Mr. James Yeager is Treasurer of McCarthy '76, Eugene J. McCarthy's principal campaign committee.)

The Committee for a Constitutional Presidency is authorized by 2 U.S.C., Section 441a(a)(1)(B) to receive a contribution of up to \$20,000 from a single individual. The loan you questioned falls under the same authorization.

Since the loan was permitted by law, and correctly reported, we believe that it would be improper to amend our report.

Sincerely,

Mary Meehan
Treasurer

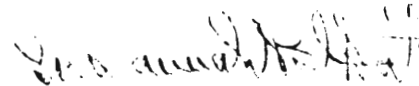
Exhibit M

October 29, 1976

The Honorable
Vernon W. Thomson
Chairman
Federal Election Commission
1325 K Street, NW
Washington, DC

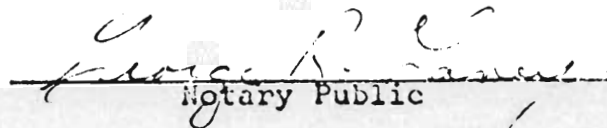
Dear Mr. Thomson:

This is to notify you that the executive committee of the Committee for a Constitutional Presidency, by conference on October 26, 1976, formally adopted a resolution nominating Eugene J. McCarthy as a candidate for President of the United States, thus ratifying the action the committee took on January 12, 1975 when it invited Mr. McCarthy to be its presidential candidate.



Suzannah B. Batt, Secretary

Subscribed and sworn to before me this 29th day of October, 1976.


Notary Public

My Commission Expires 1 JULY 1978

AFFIDAVIT OF JOHN BOYLES

I, John Boyles, being first duly sworn, depose and say the following:

1) Because of my political convictions, I worked in the 1968, 1972, and 1976 presidential campaigns of Eugene McCarthy.

2) I received compensation for work in the 1968 and 1972 campaigns. I received no compensation for work in the 1976 campaign. My work in the 1976 campaign included the drafting of position papers, assistance with production of a filmed interview with the candidate, assistance with preparation of a fundraising record, press contacts, and contacts with opinion leaders.

3) It was my understanding that the 1976 campaign was severely lacking in funds. I was willing to devote a substantial part of my own time to the 1976 campaign even though it might not be possible for the campaign to compensate me for that time. Initially, the possibility of compensation was not even raised.

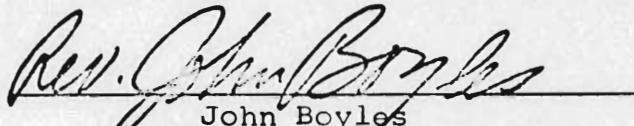
4) In the fall of 1976, however, I did reach an understanding with the campaign whereby I would be paid \$2,000 for work done for the campaign if it became eligible for post-election public funding. Since the campaign did not become eligible for public funding, I received no money for such work--and expected none.

5) From approximately December of 1974 until February of 1977, I served as editor of the Washington Watch newsletter. In

that capacity, I gathered information and wrote articles on a wide variety of subjects, including foreign policy and American politics.

6) Among the Washington Watch issues I prepared in 1976 were ones on China, the KGB, Soviet and Cuban foreign policy, nuclear warfare, India, the prospective Carter-Mondale foreign policy, and the McCarthy campaign. I was compensated by Washington Watch for all issues at the rate of \$400 per issue prepared by me.

7) The articles I wrote on the McCarthy campaign were not suggested, requested, supervised or in any way controlled by the candidate or by any political committee associated with the candidate. Nor was I compensated for them by the candidate or by any political committee associated with the candidate. Nor did I request, suggest, or expect such compensation.


John Boyles

Subscribed and sworn to before me this 17th day of March, 1978.


Notary Public

My commission expires 1 July 1978.

Module C

January 1976
Federal Election Commission
15 K Street, N.W.
Washington, D.C. 20543

**Debts and Obligations for
Line Numbers 25 and/or 26 of FEC Form 3**

3/31/76

(see instructions on back)

Exhibit O

Page 27 of 49 for

LINE NUMBER 26

(Use separate schedule(s) for each numbered line.)

270

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
COMMITTEE FOR JIMMY CARTER				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Rafshoon Advertising, Inc.	8/27/75	736.74		736.74
1422 W. Peachtree St., NW	10/6/75	3,757.92		3,757.92
Atlanta, Ga. 30309	10/14/75	5,422.64		5,422.64
Media & Production	1/2/76	40,175.60	26,098.21	14,077.39
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
	1/2/76	4,016.88		4,016.88
	2/16/76	53,921.47	40,800.00	13,121.47
	2/17/76	125,711.05		125,711.05
	2/4/76	14,943.20	14,493.00	450.20
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
	3/5/76	800.00		800.00
	3/15/76	47,367.34	48,000.00	<632.66
	3/8/76	213.60		213.60
	3/8/76	240.00		240.00
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
	3/8/76	24,080.00	25,080.00	<1,000.
	2/8/76	40,000.00	40,000.00	
	3/76	9,005.00		9,005.00
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
		370,481.67	194,471.21	176,010.46
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Subtotal this period (this page) (continued)		\$ 370,481.67	\$ 194,471.21	\$ 176,010.46
Total this period (last page, this line number only)		\$ 661,640.20	\$ 258,138.72	\$ 403,501.48
Carry over to next page (this line number only)				

Excerpt from Amended FEC Report for 3/1/76-3/31/76
(Filed 11-8-76)

Excerpt from Amended FEC Report Exhibit P
for 4/1/76 - 4/30/76 (filed 11-8-76)
Debts and Obligations for

Page 32 of 54 for

Module C

July 1976
Federal Election Commission
5 K Street, N.W.
Washington, D.C. 20463

Line Numbers 25 and/or 26 of FEC Form 3

4/30/76

(See Instructions on back)

LINE NUMBER

(Use separate schedule(s) for each numbered line.)

Name of Candidate or Committee in full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance of This Period
COMMITTEE FOR JIMMY CARTER			
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
Rafshoon Advertising, Inc.	8/27/75	736.74	736.7
1422 W. Peachtree St., NW	10/6/75	3,757.92	3,757.9
Atlanta, Ga. 30309	10/14/75	5,422.64	5,422.6
Media & Production	1/2/76	40,175.60	14,077.3
		26,098.21	
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	1/2/76	4,016.88	4,016.8
	2/16/76	53,921.47	13,121.4
	2/17/76	125,711.05	25,711.0
	2/4/76	14,943.20	450.2
		48,000.00	
		14,493.00	
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	3/5/76	800.00	800.0
	3/15/76	47,367.34	4632.6
	3/8/76	213.60	213.6
	3/8/76	213.60	213.6
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	3/8/76	24,080.00	11,000.0
	4/30/76	101,929.82	101,929.8
	4/15/76	504.00	504.0
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	4/76	5,000.00	2,000.0
	4/76	71,000.00	16,050.0
	4/22/76	15,000.00	15,000.0
	4/22/76	20,000.00	20,000.0
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	4/76	2,950.00	2,950.0
	3/76	9,095.23	9,095.23
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
		615,741.93	265,392.88
			350,349
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
Subtotals this period (this page optional)		\$	\$
Total this period (last page this line number only)		\$	\$
Carry outstanding balance only, to appropriate line of summary		\$	\$

1,139,434.96 : 363,307.82 : 771.1

Schedule C

January 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 25 and/or 26 of FEC Form 3

5/31/76

(See Instructions on back)

Page 56 of 79 forLINE NUMBER 26

(Use separate schedule(s) for each numbered line.)

Exhibit Q

Name of Candidate or Committee in Full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance of The Period
COMMITTEE FOR JIMMY CARTER			
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
Rafshoon Advertising, Inc.	8/27/75	736.74	736.74
1422 W. Peachtree St., NW	10/6/75	3,757.92	3,757.92
Atlanta, Ga. 30309	10/14/75	5,422.64	5,422.64
Media & Production	1/2/76	40,175.60	14,077.39
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	1/2/76	4,016.88	4,016.88
	2/16/76	53,921.47	13,121.47
	2/17/76	125,711.05	25,711.05
	2/2/76	14,943.20	40,223.00
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	3/5/76	800.00	800.00
	3/15/76	47,367.94	48,000.00
	3/3/76	213.00	213.00
	3/3/76	240.00	240.00
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	3/8/76	24,000.00	25,000.00
	4/10/76	1,111.11	1,111.11
	5/1/76	1,111.11	1,111.11
	5/1/76	1,111.11	1,111.11
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
	5/22/76	1,111.11	1,111.11
	5/22/76	20,000.00	20,000.00
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	5/7/76	2,000.00	2,000.00
	5/2/76	1,111.11	1,111.11
	5/2/76	1,111.11	1,111.11
	5/2/76	1,111.11	1,111.11
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
	5/7/76	1,111.11	1,111.11
Subtotal this period (this page foot only)		\$	\$
Total this period (last page this line number only)		\$	\$
Carry outstanding balance only to appropriate line of summary			

Excerpt from Amended FEC Report of Committee for
Jimmy Carter for period of 5/1/76-5/31/76

(filed 11-8-76)

January 1976
Federal Election Commission
1325 M Street, N.W.
Washington, D.C. 20463

5/31/76 Cont'd

(see instructions on back)

Page 57 of 79 for

LINE NUMBER 26

(Use separate schedule(s) for each numbered line).

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Debt Close of This Period
COMMITTEE FOR JIMMY CARTER				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Rafshoon Advertising, Inc. 1422 W. Peachtree ST., N.W. Atlanta, Georgia 30309		1,709,528.20	936.25 1,063,530.87	<936.25 645,997.3
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Subtotal (this period) (this page) (optional)		\$ 1,709,528.20	\$ 1,063,530.87	\$ 645,997.3
Total (this period) (last page, this line number only)		\$ 2,525,985.33	\$ 1,256,114.91	\$ 1,269,870.42
Carry over (this period) only, to the summary line of summary				

Page

Excerpt from 1977 Year-End FEC Report of The Democratic National Committee

Schedule C

January 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debits and Obligations for Line Numbers 25 and/or 20 of FEC Form 3

to 1-2-78

Line Number 21

(Use separate schedule(s) for each numbered line.)

Name of Candidate or Committee in full Democratic National Committee		Amount of Original Debit, Contract, Agree- ment, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Full Name, mailing address and ZIP code, and nature of obligation Council Press 4912 Lawrence Street Hyattsville, Md. 10781 Printing	Date (month, day, year) 9-22-75	\$ 6927.82	\$ 2250.00	\$ 4677.82
Full Name, mailing address and ZIP code, and nature of obligation Morkle Press 810 Rhode Island Ave. Washington, D.C. 20018 Printing	Date (month, day, year) 9-22-75	\$ 18,295.35	\$ -0-	\$ 18,295.35
Full Name, mailing address and ZIP code, and nature of obligation Richard Neustadt Harvard University Cambridge, Mass. 02138 Painting	Date (month, day, year) 9-22-75	\$ 2343.56	\$ -0-	\$ 2343.56
Full Name, mailing address and ZIP code, and nature of obligation NDC News 50 Rockefeller Plaza New York, New York 10020 Film Production	Date (month, day, year) 9-22-75	\$ 1346.00	\$ -0-	\$ 1346.00
Full Name, mailing address and ZIP code, and nature of obligation Patent Scaffolding 2125 Center Ave. Fort Lee, New Jersey 07024 Construction	Date (month, day, year) 9-22-75	\$ 2200.00	\$ 500.00	\$ 1700.00
Full Name, mailing address and ZIP code, and nature of obligation Salomon Reporting Service 100 Equitable Bldg. Baltimore, Md. 21202 Reporting	Date (month, day, year) 9-22-75	\$ 1521.00	\$ -0-	\$ 1521.00
Full Name, mailing address and ZIP code, and nature of obligation Dyna Lease Corporation 4841 Montgomery Ave. Bethesda, Md. 20814 Xerox Lease	Date (month, day, year) 5-6-74	\$ 35,469.00	\$ 22,407.40	\$ 13,061.60
Full Name, mailing address and ZIP code, and nature of obligation Names Unlimited 252 Park Ave., South New York, New York 10010 Lists	Date (month, day, year) 12-31-73	\$ 2969.66	\$ 500.00	\$ 2469.66
Subtotal this period this page (optional) ▶		\$	\$	\$
Total this period (last page this line number only) ▶				
* Carry outstanding balance only, to appropriate line of summary				

Schedule C
January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

**Debts and Obligations for
Lines Numbers 26 and/or 26 of FEG Form 3**

Page 125
Line Number 26

(Use separate schedule for each numbered line).

(to be included in Form 3)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Democratic National Committee				
Full Name, mailing address and ZIP code, and nature of obligation Ashland Oil Company Ashland, Ky.	Date (month, day, year) 7-6-76	\$ 50,000.00	\$ 7,500.00	\$ 42,500.00
Contribution-local settlement				
Full Name, mailing address and ZIP code, and nature of obligation IC. Treasurer 300 Indiana Ave., NW. Washington, D.C. Property Tax	Date (month, day, year) 9-30-77	\$ 2065.76	\$ 1032.88	\$ 1032.88
Full Name, mailing address and ZIP code, and nature of obligation CPT Corporation 7505 Highway 7 Minneapolis, Minn. 55426 Automatic Shrink Machine	Date (month, day, year) 11-30-77	\$ 8679.75	\$ 867.97	\$ 7811.78
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Subtotals this period this page (optional) ▶		\$	\$	\$
Total this period (last page this line number only) ▶				

* Carry outstanding balance only, to appropriate line of summary.

Schedule C

January 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for
Line Numbers 25 and/or 26 of FEC Form
Excerpt from 1977 Year-End FEC Report
of DNC Services Corporation (affiliate
committee of (see Instructions on back) Democratic Nat'l. Committee)

Page 1 of 11 for

LINE NUMBER 27

(Use separate schedule(s) for each numbered line).

Exhibit S

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise		Cumulative Payment To Date	Outstanding Balance Close of This Period
DNC Services Corporation					
Full Name, mailing address and ZIP code, and nature of obligation ADP (Automatic Data Processing) Joppa Rd. & Mylander Lane Baltimore, Md. 21204 Data Processing	Date (month, day, year)	\$	\$	\$	
	12-30-77 12-30-77	59.03 59.38		-0-	118.41
Full Name, mailing address and ZIP code, and nature of obligation ADW 10700 Hanna St. Beltsville, Md. 20705 Mailing Services	Date (month, day, year)	\$	\$	\$	
	10-27-77	1,739.89		-0-	1,739.89
Full Name, mailing address and ZIP code, and nature of obligation ALPA (Airline Pilots Association) 1625 Mass. Ave., N.W. Washington, D.C. 20036 Room Rentals	Date (month, day, year)	\$	\$	\$	
	12-30-77	21.00		-0-	21.00
Full Name, mailing address and ZIP code, and nature of obligation AMOCO Oil Company P.O. Box E Raleigh, N.C. 27629 Gasoline	Date (month, day, year)	\$	\$	\$	
	12-30-77	41.86		-0-	41.86
Full Name, mailing address and ZIP code, and nature of obligation AMTRAK (Nat'l Railroad Pass. Corp.) 955 L'Enfant Plaza Washington, D.C. DNC Whistlestop Train	Date (month, day, year)	\$	\$	\$	
	2-14-77 3-14-77	52,747.00 13,410.05		18,500.00	47,657.01
Full Name, mailing address and ZIP code, and nature of obligation Action Research Intervention 7 Worthington Lane Cleveland, Ohio 44106 Surveys	Date (month, day, year)	\$	\$	\$	
	12-30-76	18,007.31		12,000.00	6,007.31
Full Name, mailing address and ZIP code, and nature of obligation Action Surveys, Inc. 817 Silver Spring Ave. Silver Spring, Maryland 20910 Computer Tabulation	Date (month, day, year)	\$	\$	\$	
	9-9-77	485.00		-0-	485.00
Full Name, mailing address and ZIP code, and nature of obligation Addressograph/Multigraph P.O. Box 03107 Cleveland, Ohio 44103 Supplies	Date (month, day, year)	\$	\$	\$	
	11-28-77 11-30-77	30.24 146.35		-0-	176.59
Subtotals this period this page (optional) ▶		\$	\$	\$	
Total this period (last page this line number only) ▶					

*Carry outstanding balance only, to appropriate line of summary.

Schedule C

January 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 25 and/or 26 of FEC Form

(see instructions on back)

Page 1 of 17 forLINE NUMBER 27

(Use separate schedule(s) for each numbered line).

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
DNC Services Corporation				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
General Electric	11-30-77	9,644.04		
P.O. Box 15509	12-30-77	12,690.64		
Baltimore, Md. 21263	12-30-77	17,872.37	-0-	40,207.01
Computer Services				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Gerald Rafshoon Advertising, Inc.	12-30-76	440,310.89	298,744.51	
1422 W. Peachtree St.	12-22-77	6,400.00		147,966.38
Atlanta, Ga. 30309				
Advertising				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Peter Gilmore				
2136 Cathedral Ave., N.W.	9-9-77	7.30	-0-	7.30
Washington, D.C. 20008				
Supplies				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Mrs. Joel S. Gordon	11-18-77	748.50		
10801 Pleasant Hill Dr.	12-12-77	164.00		
Potomac, Md. 20854	12-30-77	166.00	-0-	1,078.50
Caligraphy Services				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Grayline of Washington				
1000 12th St., N.W.	10-27-77	230.00	-0-	230.00
Washington, D.C. 20005				
Bus Charter Services				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Greyhound Lines				
Greyhound Tower	11-9-77	313.57	-0-	313.57
Phoenix, Az.				
Bus Charter Service				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
W. Dennis Grubb				
5401 Westbard Ave.	3-14-77	375.19	-0-	375.19
Chevy Chase, Md. 20016				
Travel Expenses				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Hallmark Cards, Inc.				
P.O. Box 1345	12-30-77	9,850.00	-0-	9,850.00
Kansas City, Mo. 64141				
Cards				
Subtotals this period this page (optional)		\$	\$	\$
Total this period (last page this line number only)				
* Carry outstanding balance only, to appropriate line of summary.				

Schedule C

January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 25 and/or 26 of FEC Form 3

(see instructions on back)

Page 11 of 17 forLINE NUMBER 27

(Use separate schedule(s) for each numbered line).

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
DNC Services Corporation				
Full Name, mailing address and ZIP code, and nature of obligation Michigan Bell Telephone Co. 444 Michigan Ave. Detroit, Michigan 48226 Telephone Service	Date (month, day, year) 12-31-76	\$ 13,623.28	\$ -0-	\$ 13,623.28
Full Name, mailing address and ZIP code, and nature of obligation Michigan Dem. State Cent. Committee 321 North Pine Lansing, Mich. 48933 Travel Reimb.	Date (month, day, year) 12-22-77	\$ 221.30	\$ -0-	\$ 221.30
Full Name, mailing address and ZIP code, and nature of obligation Charles F. Miller 4956 W. 16th ST. Speedway, In. 46224 Photography Services	Date (month, day, year) 10-14-77	\$ 154.90	\$ -0-	\$ 154.90
Full Name, mailing address and ZIP code, and nature of obligation George Mitchell 25 Channel Road South Portland, Maine 04106 Travel Expenses	Date (month, day, year) 1-30-76	\$ 156.09	\$ -0-	\$ 156.09
Full Name, mailing address and ZIP code, and nature of obligation NRA National, Inc. 20 Old Turnpike Rd. Nanuet, New York, 10954 Data Bank & Telephone Surveys	Date (month, day, year) 10-31-77 10-31-77	\$ 20,529.00 2,820.80	\$ 12,241.00	\$ 11,108.60
Full Name, mailing address and ZIP code, and nature of obligation National Journal 1730 M St., N.W. Washington, D.C. 20036 Subscription	Date (month, day, year) 11-16-77	\$ 333.90	\$ -0-	\$ 333.90
Full Name, mailing address and ZIP code, and nature of obligation Pacific Telephone & Telegraph P.O. Box 54999 Terminal Annex Stat. Los Angeles, Ca. 90054 Telephone Service	Date (month, day, year) 10-31-77 11-30-77 12-30-77	\$ 85.69 704.02 5.23	\$ -0-	\$ 794.94
Full Name, mailing address and ZIP code, and nature of obligation Phils Photo, Inc. 2321 Wisconsin Ave., N.W. Washington, D.C. 20007 Typesetting	Date (month, day, year) 12-30-77	\$ 32.08	\$ -0-	\$ 32.08
Subtotals this period this page (optional)	▶	\$	\$	\$
Total this period (last page this line number only)	▶			

* Carry outstanding balance only, to appropriate line of summary.

Schedule C

January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 25 and/or 26 of FEC Form 3

(see instructions on back)

Page 15 of 17 forLINE NUMBER 27

(Use separate schedule(s) for each numbered line).

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
DNC Services Corporation				
Full Name, mailing address and ZIP code, and nature of obligation Columbia University Press 136 South Broadway Irvington-on-Hudson, New York 10533 Publication	Date (month, day, year) 12-30-77	\$ 6.50	\$ -0-	\$ 6.50
Full Name, mailing address and ZIP code, and nature of obligation Superintendent of Documents U.S. Government Printing Office Washington, D.C. 20402 Subscription	Date (month, day, year) 12-30-77	\$ 10.10	\$ -0-	\$ 10.10
Full Name, mailing address and ZIP code, and nature of obligation R.R. Bowker P.O. Box 1385 Ann Arbor, Mi. 48106 Publication	Date (month, day, year) 12-30-77	\$ 52.45	\$ -0-	\$ 52.45
Full Name, mailing address and ZIP code, and nature of obligation Smart Press and Envelope Co., Inc. 15th & Pa. , N.W. Washington, D.C. Paper Supplies	Date (month, day, year) 10-14-75	\$ 6,470.15	\$ -0-	\$ 6,470.15
Full Name, mailing address and ZIP code, and nature of obligation Maurice Tobin 1010 16th St., N.W. Washington, D.C. 20036 Phone, Office Supplies	Date (month, day, year) 12-31-76	\$ 5,689.66	\$ -0-	\$ 5,689.66
Full Name, mailing address and ZIP code, and nature of obligation Total Audio Visual 590 Piedmont Ave. Atlanta, Ga. 30308 Film/Sound Equip.	Date (month, day, year) 11-30-76	\$ 364.00	\$ -0-	\$ 364.00
Full Name, mailing address and ZIP code, and nature of obligation Travelers Insurance Company One Tower Square Hartford, Ct. 06115 Administrative Fees	Date (month, day, year) 5-5-77 6-22-77 7-29-77 10-31-77	\$ 1,700.37 340.25 274.61 176.44	\$ -0-	\$ 2,491.67
Full Name, mailing address and ZIP code, and nature of obligation Typemasters, Inc. 463 Eye St., N.W. Washington, D.C. 20001 Typesetting	Date (month, day, year) 12-30-77	\$ 78.75	\$ -0-	\$ 78.75
Subtotals this period this page (optional) ▶		\$	\$	\$
Total this period (last page this line number only) ▶				

* Carry outstanding balance only, to appropriate line of summary.

Schedule C

January 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for
Line Numbers 25 and/or 26 of FEC Form 3

(see instructions on back)

Page 17 of 17 for

LINE NUMBER 27

(Use separate schedule(s) for each numbered line).

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
DNC Services Corporation				
Full Name, mailing address and ZIP code, and nature of obligation Western Union 7916 Westpark Dr. McLean, Va. 22101 Mailgrams & Telegrams	Date (month, day, year) 10-14-77	\$ 347.25	\$	\$
	11-28-77	5.00		
	11-30-77	22.50		
	12-12-77	9.44		
Full Name, mailing address and ZIP code, and nature of obligation		\$ 141.45	\$ -0-	\$ 525.64
Full Name, mailing address and ZIP code, and nature of obligation White House Staff Mess 1600 Pennsylvania Ave., N.W. Washington, DC. 20500 Luncheons		\$ 29.00	\$ -0-	\$ 29.00
Full Name, mailing address and ZIP code, and nature of obligation Wordex Corporation 7315 Wisconsin Ave., N.W. Bethesda, Md. 20014 Paper Supplies		\$ 1,286.36 11-30-77 716.10 12-22-77 585.90	\$ -0-	\$ 2,588.36
Full Name, mailing address and ZIP code, and nature of obligation Word Processing Service P.O. Box 1306 Hagerstown, Md. 21740 Supplies & Maintenance		\$ 1,100.00 1-25-77 166.05 3-28-77	\$ 700.00	\$ 566.05
Full Name, mailing address and ZIP code, and nature of obligation Wyman, Bautzer, Rothman, & Kuchel 9601 Wilshire Blvd., Suite 726 Beverly Hills, Ca. Consultation		\$ 5,042.00 11-15-74	\$ -0-	\$ 5,042.00
Full Name, mailing address and ZIP code, and nature of obligation Xerox Corporation P.O. Box 36084 Pittsburgh, Pa. 15250 Equip. Rental & Maintenance		\$ 2,077.97 11-18-77 2,176.68 12-30-77 152.35	\$ -0-	\$ 4,407.00
Full Name, mailing address and ZIP code, and nature of obligation Young Democrats of America Operations 1625 Mass. Ave., N.W. Committee Washington, D.C. 20036 Transfer		\$ 1,457.69 12-12-77 1,457.69 12-30-77	\$ -0-	\$ 2,915.38
Subtotals this period this page (optional).....▶		\$	\$	\$
Total this period (last page this line number only).....▶		1,677,977.16	449,458.46	718,518.70

* Carry outstanding balance only, to appropriate line of summary.

NEWS FROM...

Exhibit T

FEDERAL ELECTION COMMISSION

1325 K Street, N.W., Washington, D.C. 20008

RELEASE: ON RECEIPT
THURSDAY, MAY 19, 1977

CONTACT: DAVID FISKE
SUSAN TIFFT
(202) 382-4112

MATCHING FUND CERTIFICATIONS FOR PRESIDENTIAL CANDIDATES

WASHINGTON - May 19 - The Federal Election Commission today certified \$3,094.97 in Federal primary matching funds for 1 Presidential candidate.

This raises to \$24,788,066.96 the total amount of primary matching funds certified since January 1, 1976, for 15 Presidential candidates. \$3,596,777.47* has also been certified to date in Presidential nominating convention payments to the Democratic and Republican National Committees.

The following is a breakdown by candidate and party for today's certification, and cumulative totals:

June 6, 1977

771774

Exhibit U

JUN 10 1977

The Honorable Thomas E. Harris
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, DC 20463

HAND DELIVERED

Dear Commissioner Harris:

In compliance with the Commission's debt settlement regulations, Part 114.10, The Committee for Birch Bayh in '76 files herewith the enclosed materials. These include a statement dated February 28, 1977, concerning the settlement of the Committee's debt to Arthur Andersen & Co., letters from each creditor with which the Committee negotiated a settlement of a debt in excess of \$1000, and certificates of the Committee's Comptroller with respect to the settlement of debts of less than \$1000. These materials were prepared after consultation with Daniel Swillinger, Assistant General Counsel, Office of General Counsel, and we believe that they demonstrate that the Committee has fully complied with the Commission's debt settlement regulations.

Each of the debts for which a negotiated settlement was reached, like all of the debts of the Committee, were incurred in a commercially reasonable manner in connection with the candidacy of Senator Birch E. Bayh for the Democratic party nomination for President of the United States. After Senator Bayh withdrew from active candidacy in March 1976, substantial fund raising activities ceased. In September 1976, however, the Committee began an exhaustive effort to raise sufficient funds to repay its debts. These efforts are described in the Statement of Arthur Andersen & Company and were

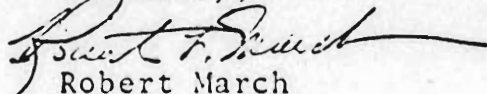
The Honorable Thomas E. Harris
Page Two
June 6, 1977

substantially complete by February 28, 1977, the date of the Statement. However, Senator Bayh decided to make a final effort to insure that all possible contributors had been contacted and, therefore, the filing of the Arthur Andersen Statement was delayed. This decision was communicated in a letter to Daniel Swillinger, dated March 14, 1977. Since that letter, the Committee has collected \$4919.00. Because it has contacted all likely sources of contributors and believes that no additional funds are likely to be forthcoming, it has decided to file the enclosed debt settlement materials with the Commission.

The debt settlements negotiated by the Committee liquidate virtually all of the Committee's obligations. Because a few creditors have failed to respond to the Committee's communications, the Committee intends to maintain a small amount of funds to meet unforeseen contingencies. It is expected that the Committee's debt settlement operation will be completed by June 15, 1977, and that approximately \$3000 to \$4000 will remain in the Committee's account at that time. The Committee's report for June 1977 will fully report these transactions.

We believe that the enclosed materials demonstrate that the Committee has settled its debts in a commercially reasonable manner in compliance with the Commission's procedures. If you require any additional information, please do not hesitate to contact us.

Sincerely,


Robert March
Comptroller

Enclosure

SIDLEY & AUSTIN

Exhibit V

1730 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D. C. 20006
TELEPHONE 202 872-1730

TELEX 89-463

Founded in 1866 as
Williams & Thompson

CHICAGO OFFICE
ONE FIRST NATIONAL PLAZA
CHICAGO, ILLINOIS 60603
TELEPHONE 312 329-3400
TELEX 25-4364

February 28, 1977

The Honorable Vernon W. Thomson
Chairman, Federal Election
Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Commissioner Thomson:

At the suggestion of Daniel Swillinger, and in compliance with the Commission's debt settlement regulations, Part 114.10, we are filing herewith a document entitled Statement Of Settlement By Arthur Andersen & Co. In Connection With The Debt Of The Committee For Birch Bayh In '76. Although Arthur Andersen & Co. is a partnership, and not explicitly subject to these regulations, it is a government contractor prohibited from making a political contribution by 2 U.S.C. §441c. As a result, we believe that it is proper for Arthur Andersen & Co. to settle the debt of the Committee for Birch Bayh in '76 by following the Commission's procedures in Part 114.10.

We believe that the enclosed Statement demonstrates that Arthur Andersen & Co. and the Committee for Birch Bayh in '76 have fully complied with the Commission's debt settlement regulations, and we request that the Commission concur in this conclusion. If you require any additional information, please do not hesitate to contact us.

Sincerely,

Michael A. Nemeroff
Michael A. Nemeroff

MAN:pd

STATEMENT OF SETTLEMENT BY ARTHUR ANDERSEN
& CO. IN CONNECTION WITH THE DEBT OF THE
COMMITTEE FOR BIRCH BAYH IN '76

INTRODUCTION

This Statement of Settlement is filed on behalf of Arthur Andersen & Co. ("Arthur Andersen") in accordance with the Federal Election Commission's regulations, Part 114.10, concerning the extension of credit and the settlement of debts. Arthur Andersen is an unincorporated partnership engaged in the provision of accounting services. Because it is a government contractor prohibited from making contributions to candidates for federal office, 2 U.S.C. §441c, it has, upon the advice of Commission staff, followed the procedures set out in Part 114.10 when extending credit to federal candidates for services performed in connection with political campaigns.

Arthur Andersen provided technical services to the Committee for Birch Bayh in '76 (the "Bayh Committee") to aid the Committee in complying with the Federal Election Campaign Act, 1971, as amended ("FECA") in connection with Senator Birch Bayh's candidacy for President of the United States. Arthur Andersen's statement for such services was in the amount of \$22,200. Despite Arthur Andersen's best efforts to collect this debt and the Bayh Committee's best

efforts to raise the required funds, this statement has remained unpaid for more than one year. On January 26, 1977, Arthur Andersen reached an agreement with the Bayh Committee to settle this debt for \$5,000. A partial payment of \$1,000 in connection with this settlement has already been received.

DISCUSSION

I. The Initial Extension Of Credit To The Bayh Committee Was Made In The Ordinary Course Of Business

Arthur Andersen followed its normal practice in all phases of its dealings with the Bayh Committee. On September 8, 1975, it provided Myer Feldman, Treasurer of the Bayh Committee, with an arrangement letter setting out the scope of the work to be performed by Arthur Andersen, the procedures to be followed, the estimated time period within which the work would be completed, and the estimated fees.^{*/} As with non-political clients, Arthur Andersen charged the Bayh Committee on the basis of the number of hours devoted by partners and employees assigned to the engagement and any out-of-pocket expenses incurred. As a result, the September 8 letter estimated the likely fees for the proposed work to be \$25,000.

^{*/} The arrangement letter is attached hereto and marked Exhibit A.

This estimate was made on the basis of Arthur Andersen's experience in performing similar engagements for both political and non-political clients.

All tasks set out in the September 8 letter, and certain additional tasks added as the work progressed, were completed by December 2, 1975. As with projects for non-political clients, Arthur Andersen provided progress reports on October 8 and November 20, 1975, detailing the tasks accomplished and those remaining to be accomplished. In addition, as is normal practice, Arthur Andersen sent two interim statements to the Bayh Committee on October 8 and November 14, 1975, based upon the work completed and the time recorded during the statement period.

Although no payment was received from the Bayh Committee in response to Arthur Andersen's first two statements, the work was continued because Arthur Andersen received assurances of payment in the near future. The November 20 progress report explained that Arthur Andersen had discussed with the Bayh Committee when payment could be expected, and it had been promised that payment of the two outstanding statements would be received by December 10, 1975.

This commitment was considered sufficient to permit Arthur Andersen to continue, and all work was completed on December 2, 1975. It was not unusual for Arthur Andersen to

continue its engagement for the Bayh Committee although its first two statements were unpaid. First, the engagement was performed in a short period of time, and even the first statement was outstanding for less than two months before the work was completed. Second, Arthur Andersen had no reason to believe that the Bayh Committee's promise to make payment by December 10 would not be fulfilled.

II. Arthur Andersen Has Pursued Its Remedies In A Manner Similar In Intensity To That Employed In Pursuit Of A Non-Political Debtor.

Arthur Andersen has followed all of the normal procedures that it follows with non-political clients when its statement for services remains unpaid. As previously noted, it only permitted its statement to remain unpaid for a short period of time before contacting the Bayh Committee. After the work was completed, it did not receive payment as promised on December 10. On January 27, 1976, Arthur Andersen met with the Bayh Committee and negotiated a payment schedule pursuant to which the entire bill of \$22,200 would be paid by April 23, 1976. This schedule was a realistic attempt to accommodate the client's inability to satisfy its obligation at once and still obtain payment in full in that the scheduled payment dates coincided with the dates upon which the Committee expected to receive Federal matching funds.

When it became apparent that the Bayh Committee was not complying with the payment schedule with which it had agreed, Arthur Andersen again met with the Committee to discuss the debt. This meeting occurred on March 18, 1976; Arthur Andersen was informed that the Committee intended to pay its debt in full and that it planned to organize a fund-raiser in the near future for this purpose. Arthur Andersen was further informed that the Committee would be in contact in about two weeks to discuss its plans for raising the required funds. Arthur Andersen continued to have contact with the Bayh Committee during 1976 concerning the outstanding debt and the Bayh Committee's efforts to raise sufficient funds to satisfy the debt. Following its normal practice, Arthur Andersen sent the Bayh Committee monthly bills indicating that the debt was outstanding. This practice was discontinued in September 1976 when it became apparent that the likelihood of payment was very small.

Although Arthur Andersen has considered the possibility of beginning a legal proceeding to collect the Bayh Committee's debt, this approach has not been pursued. Principally, no legal action has been taken because Arthur Andersen does not take such action to collect debts owned by non-political clients. While Arthur Andersen considered adopting a

different policy for political clients, such action is considered unwarranted at this time. Arthur Andersen has provided similar services to numerous other political clients since 1972. Its services have always been provided on the same fee basis as to non-political clients for similar services. The Bayh Committee, however, is the first political client from which Arthur Andersen has been unable to collect its full fees.

III. The Bayh Committee Has Undertaken All Commercially Reasonable Efforts To Satisfy Its Outstanding Debt

The Bayh Committee has pursued every reasonable approach available to satisfy the debt owed to Arthur Andersen.^{*/} While Senator Bayh was an active candidate, the Committee vigorously sought campaign contributions.. After Senator Bayh withdrew from active candidacy, substantial fund raising activities ceased during the remainder of the campaign, with the exception of a small reception described below. After the election, the Bayh Committee made an exhaustive effort to raise funds to retire its debts. Before seeking a negotiated settlement of Arthur Andersen's statement for services, the Bayh Committee attempted to raise funds from all known

^{*/} This section has been reviewed by the Bayh Committee; a letter confirming that the Committee agrees with the presentation in this section is attached hereto and marked Exhibit B.

Bayh contributors, with the exception of individuals or organizations who could not be reasonably expected to contribute additional funds. For example, no effort has been made to contact contributors who had already contributed the maximum amount legally permitted.

The Bayh Committee has conducted three fund-raising programs for this purpose. In September 1976, a small reception was arranged for large contributors, primarily in the Washington, D.C. area. This was the only fund-raising event conducted during the campaign. In early December 1976, a fund-raising benefit concert was held in Indianapolis in order to attract funds from the Senator's Indiana supporters. In addition, shortly after the concert, a direct mail appeal was made to all Indiana contributors who had contributed in excess of \$25 and less than \$250 and to all national contributors who had contributed in excess of \$50 and less than \$250.^{*/} Finally, the Bayh Committee has applied for Federal matching funds to supplement all eligible funds received. The reports of the Bayh Committee, filed with the Commission, contain full details concerning the funds raised.

^{*/} The \$250 limit was selected because matching funds are not available for contributions in excess of this amount.

Having approached all known contributors likely to provide additional funds, the Bayh Committee's last reasonable hope for retiring its debt owed to Arthur Andersen is to negotiate a settlement. Every reasonable avenue for raising additional funds has been pursued. It would be unreasonable to expect the Committee to raise any additional funds to repay this debt in the foreseeable future.

CONCLUSION

For all of the foregoing reasons, it is requested that the Commission not oppose the negotiated settlement of the debt of the Bayh Committee to Arthur Andersen.

Respectfully submitted,



Michael A. Nemeroff
Sidley & Austin
1730 Pennsylvania Avenue, N.W.
Suite 1100
Washington, D.C. 20006
(202) 872-1730

Attorneys for
Arthur Andersen & Co.

EXHIBIT A

1000 K STREET, N.W.
WASHINGTON, D.C. 20006

(202) 705-9510

September 8, 1975

Myer Feldman, Esquire
Ginsburg, Feldman, and Bress
1700 Pennsylvania Avenue, N. W.
Washington, D. C.

Dear Mr. Feldman:

We are pleased to submit this arrangement letter describing the assistance we will provide in developing systems and procedures for the Committee for Election of Birch Bayh. The objectives of our work are to assist the Committee in:

- Design of Committee financial reports;
- Establishing accounting records for purposes of complying with the current Federal Election Law;
- Developing procedures for the processing of receipts, disbursements including payroll, petty cash, and other related accounting transactions;

- Determining the feasibility of adopting existing automated systems for processing of receipts and disbursements.

The specific tasks to be performed in order to accomplish the objectives relating to accounting records and procedures are as follows:

Committee Financial Reports

We will assist in designing reports for use in planning and monitoring the financial activities of the campaign. This will include design of:

- National and state committee budget report(s);
- Cash flow forecast and comparison to actual reports;
- Contribution by state summary report for use in determining qualification for government matching funds;
- National Committee allocation summary report.

Books of Original Entry

In order to prepare the Committee Financial Reports described above, we plan to assist in the development of:

- A general ledger, chart of accounts and related account descriptions for use by national and state committees;
- Cash receipts register which will also be used to record cash equivalents such as checks and securities;
- Cash disbursements register which will provide the capability to record National Committee allocations to appropriate general ledger accounts;
- Payroll register, if the payroll system is not automated, for purposes of complying with federal and state tax reporting requirements;
- Commitments ledger for use in cash flow and budget report preparation.

4 -

Source Documents

Source documents will be designed in order to record all financial transactions for purposes of entering into the general ledger. These documents will include the design of:

- Contribution cards and associated Committee receipt cards for forwarding to individual contributors;
- Expense reimbursement requests for use by national and state fund raisers;
- Time and attendance payroll cards for employees of the committee, if the system is not automated;
- Commitment request form to insure that purchases are authorized;
- Cumulative contribution ledger cards, if the system is not automated, for use by the committee(s) in determining matching fund qualifications and compliance with individual contribution limitations.

Accounting Procedures

Written procedures will be developed in support of preparing Committee financial reports, posting to the books of original entry, and preparation of Federal Election Commission Reports. An outline of the procedures we will assist in developing includes:

- Preparation of budgets, revisions to the budgets, consolidation of state committee budgets, and report preparation;
- Preparation of cash flow reports;
- Preparation of statutory reports for filing with the Federal Election Commission based on the books of original entry;
- Preparation of National Committee allocation summary report;
- Processing of receipts and disbursements;
- Processing of payroll time and attendance records including state and federal withholding certificates;

- Processing of petty cash imprest accounts if this concept is used by the Committee;
- Processing of 'lock box' receipts or equivalent if this approach is adopted by the Committee;
- Processing of expense reimbursement requests from National or state Committee employees and/or volunteers;
- Processing of suspense items relating to contribution receipts involving insufficient information or contribution limitations;
- Procedure for controlling property which is owned or leased by the Committee(s);
- Preparation of bank account reconciliations;
- Procedure for records and file retention;
- Procedure for interfacing with a service bureau/bank for those systems which are automated.

In order to accomplish the objectives stated above and the related tasks, we need to be advised by the Committee of certain policy decisions relating to the financial management and organization of the campaign. The Committee's policies concerning centralization or decentralization of contribution processing, limitation on disbursement amounts by state committees, state fund raising activities, and method of cash management must be defined. We will be available to assist the Committee in identifying alternative approaches if such policy decisions have not yet been defined.

The organization of the finance committee and the campaign committee at both the national and state level must be considered in designing management reports and developing budget procedures. Since we are not aware of the organization structure at this time, the effort and associated cost for these tasks are excluded from the estimated cost.

It is our understanding that the Committee has not identified a Controller for the campaign as of this date, but plans to do so. We expect to work closely with this individual and the early identification of this person is a prerequisite to achieving success in this project at least cost. Committee personnel should participate actively in

the design and installation of the system, particularly in developing procedures. Their participation will have two benefits: (1) The operation of the system will be facilitated, and (2) our fees will be lower than if we had to do all the development work ourselves. We also understand that the Committee will be responsible for developing written procedures covering fund raising activities and obtaining advisory opinions from the Federal Election Commission.

Since many of the factors which will influence both the scope of the total effort and the scope of the assistance we provide have not been defined, it is impossible for us to estimate with precision the amount of professional fees and expenses we will incur. However, based on past experience and assuming substantial participation on the part of the Committee, we estimate that \$25,000 of professional fees will be incurred over a three-month period. Our services will be billed at our normal per diem rates plus out-of-pocket expenses on a monthly basis. The fee estimate is a function of the responsibilities assumed by Committee personnel as mentioned above. We will advise you immediately should there be changes in the level of our participation which impact this estimate.

Our effort will be under the supervision of Michael Simon, a partner in our Washington, D. C., office. We plan to assign Barry Kaufman as our project manager. On a weekly basis, we propose to brief you, or your designated representative, on the status of work accomplished and to be completed.

Thank you very much for inviting Arthur Andersen & Co. to assist the Committee. We look forward to working with the Committee on this effort. If there are any questions, please contact Michael Simon or Barry Kaufman at our Washington, D. C., office (202) 785-9510.

Very truly yours,

Arthur Andersen & Co

EXHIBIT B

COMMITTEE FOR BIRCH BAYH IN '76
1835 K STREET, N.W. • 6TH FLOOR
WASHINGTON, D. C. 20006

2/467-6600

February 15, 1977

Federal Election Commission
1325 K Street, N. W.
Washington, D. C.

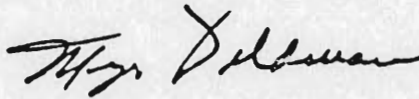
Gentlemen:

Counsel for Arthur Andersen & Co. has submitted to me, and I have read, a document entitled "Statement of Settlement by Arthur Andersen & Co. in Connection with the Debt of the Committee for Birch Bayh in '76". Under Section III of that statement there is a discussion of what the Bayh Committee has done in an effort to satisfy its outstanding debt.

I have been, throughout the life of the Bayh Committee, and I am currently, Treasurer of that Committee and the statement set forth under Section III, entitled "The Bayh Committee has Undertaken all Commercially Reasonable Efforts to Satisfy its Outstanding Debt" is accurate.

The Bayh Committee has met with contributors, with other fund raisers, with friends of Senator Bayh, and with every other person that it felt offered some reasonable possibility of helping to reduce its deficit in an effort to obtain funds for this purpose and has sought ideas regarding how it could obtain additional funds. It has now exhausted all these possibilities. In accordance with regular commercial practice, it is now seeking a settlement of claims of creditors.

Sincerely,



Myer Feldman

Exhibit W

May 13, 1977

Mr. Robert March
Comptroller
Committee for Birch Bayh in '76
P.O. Box 1500
Washington, D.C. 20013

Dear Mr. March:

This letter acknowledges that Ray Welch Associates, Inc. agreed to settle the outstanding debt of the Committee for Birch Bayh in '76 which was \$8000.00. We released the Committee from any continuing obligation upon receipt of \$4500.00.

We understand that the Committee must notify the Federal Election Commission of this settlement and must demonstrate that its obligations were settled in a commercially reasonable manner. In connection with this requirement, we wish to state that we extended credit to the Committee pursuant to our company's normal policy of extending credit, and in agreeing to settle this debt we have followed our usual practice of arranging a settlement with debtors who are unable to discharge fully their obligations.

Very truly yours,



for Ray Welch Associates, Inc.
230 Clarendon Street
Boston, Massachusetts 02116

Exhibit X

May 13, 1977

Mr. Robert March
Comptroller
Committee for Birch Bayh in '76
P.O. Box 1500
Washington, D.C. 20013

Dear Mr. March:

This letter acknowledges that Williams and Anderson Company agreed to settle the outstanding debt of the Committee for Birch Bayh in '76 which was \$9172.40. We released the Committee from any continuing obligation upon receipt of \$4500.00.

We understand that the Committee must notify the Federal Election Commission of this settlement and must demonstrate that its obligations were settled in a commercially reasonable manner. In connection with this requirement, we wish to state that we extended credit to the committee pursuant to our company's normal policy of extending credit, and in agreeing to settle this debt we have followed our usual practice of arranging a settlement with debtors who are unable to discharge fully their obligations.

Very truly yours,



for Williams and Anderson Company
812 Branch Avenue
Providence, R.I. 02904

Exhibit Y

May 13, 1977

Mr. Robert March
Comptroller
Committee for Birch Bayh in '76
P.O. Box 1500
Washington, D.C. 20013

Dear Mr. March:

This letter acknowledges that Dunfey Family's Hotels and Motor Inns agreed to settle the outstanding debt of the Committee for Birch Bayh in '76 which was \$5000.00. We released the Committee from any continuing obligation upon receipt of \$2500.00.

We understand that the Committee must notify the Federal Election Commission of this settlement and must demonstrate that its obligations were settled in a commercially reasonable manner. In connection with this requirement, we wish to state that we extended credit to the Committee pursuant to our company's normal policy of extending credit, and in agreeing to settle this debt we have followed our usual practice of arranging a settlement with debtors who are unable to discharge fully their obligations.

Very truly yours,

Thomas Moufarge 5/24/77

Thomas Moufarge, Corporate Credit Manager
for Dunfey Family's Hotels and Motor Inns
Hampton, N.H. 03842

Exhibit Z



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 7, 1978

Robert March, Comptroller
Committee for Birch Bayh in '76
P.O. Box 1500
Washington, D.C. 20013

Dear Mr. March:

This refers further to your submission of debt settlement statements on behalf of the Committee for Birch Bayh in '76. The statements relate to settlements, negotiated by the Committee, of campaign debts owed to numerous corporations and one Government contractor.

Pursuant to Commission regulations at 11 CFR 114.10 the Commission has recently completed its review of the settlement statements and has approved each settlement as submitted. This approval should not be regarded as a precedent for consideration of campaign debt settlements in connection with future elections. Furthermore, the Commission gives approval in large part because the cited regulation fails to provide sufficiently specific criteria for determining the commercial reasonableness of negotiated debt settlements. The Commission intends to consider proposing additional regulations which comprehensively set forth the specific obligations of creditors and debtors with respect to incurring and settling campaign debts.

This letter and the debt settlement materials you submitted have been included in the Committee's public disclosure file.

Sincerely yours,

Joan Aikens

Joan D. Aikens
Vice Chairman for the
Federal Election Commission



KENNETH A. BIRCH & PHILIP C. DEAN

MICHAEL J. HLUCHANIUK



TELEPHONE 517-351-1100

124 1/2 W. GRAND RIVER BLVD.

EAST LANSING, MICH. 48823

PM 12:52

February 23, 1978

William C. Oldaker
1325 K. Street N.W.
Washington, D.C. 20461

Dear Mr. Oldaker:

This firm has been retained to represent Shrikumar Poddar in reference to three letters received by him from you on February 21, 1978.

Mr. Podar is interested in answering all the charges made against him but it would be impossible within the time limits you have stated. I will need time to prepare accurate and detailed responses to any accusations made against Mr. Poddar.

Also, it would be essential to preparing a response to have copies of the complaints specifying dates, times and places.

Thank you for your cooperation.

Sincerely,

Kenneth A. Birch

KAB/jmc

Birch & Dean Law Office
124 1/2 W. Grand River Ave.
East Lansing, Michigan 48823

APPROVED
FEDERAL ELECTION
JUL 1976



Mr. William C. Oldaker
1325 K. Street N.W.
Washington, D.C. ~~20462~~

70 MAR 3 PM 12:52

20463

[Handwritten signature]



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 15, 1978

Ms. Mary Meehan
Committee for a Constitutional
Presidency
1420 N St., N.W.
Washington, D.C. 20005

RE: MUR 485 (77)

Dear Ms. Meehan:

In your telephone conversation with Ms. Elena King of my staff, on March 7, 1978, you requested additional time for the CCP and Mr. McCarthy to respond to the allegations set forth in the above referenced matter. This letter is to confirm that a two week extension has been granted. As agreed in your conversation with Ms. King, we will expect to receive these responses on, or before, March 21, 1978.

If you have any further questions concerning this matter, please contact David Spiegel or Elena King at 523-4529.

Sincerely,

A handwritten signature in black ink, appearing to read "Willaim C. Oldaker", is written over the word "Sincerely,".

Willaim C. Oldaker
General Counsel





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March , 1978

Ms. Mary Meehan
Committee for a Constitutional
Presidency
1420 N St., N.W.
Washington, D.C. 20005

RE: MUR 485 (77)

Dear Ms. Meehan:

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If you have any further questions concerning this matter, please contact David Sniegel or Elena King at 523-4529.

Sincerely,

William C. Oldaker
General Counsel





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 15, 1978

Kenneth A. Birch
Law Offices
124 1/2 W. Grand River Blvd.
East Lansing, Michigan 48823

RE: MUR 485 (77)

Dear Mr. Birch:

Pursuant to your request for additional time to respond to the allegations set forth in the above referenced matter, Ms. Elena King of my staff contacted you by telephone on March 7, 1978. This letter is to confirm that a two week extension has been granted. As discussed in your conversation with Ms. King, we will expect to receive your responses, on behalf of Mr. Poddar, on, or before, March 21, 1978.

If you have any further questions concerning this matter, please contact David Spiegel or Elena King at 202-523-4529.

Sincerely,

A handwritten signature in dark ink, appearing to read "William C. Oldaker", is written over a light-colored rectangular area.

William C. Oldaker
General Counsel





FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

March , 1978

Kenneth A. Birch
Law Offices
124 1/2 W. Grand River Blvd.
East Lansing, Michigan 48823

RE: MUR 485 (77)

Dear Mr. Birch:

Pursuant to your request for additional time to respond to the allegations set forth in the above referenced matter, Ms. Elena King of my staff contacted you by telephone on March 7, 1978. This letter is to confirm that a two week extension has been granted. As discussed in your conversation with Ms. King, we will expect to receive your responses, on behalf of Mr. Poddar, on, or before, March 21, 1978.

If you have any further questions concerning this matter, please contact David Spiegel or Elena King at 202-523-4529.

Sincerely,

William C. Oldaker
General Counsel



Eugene J. McCarthy

1420 N Street, Northwest

Washington, D.C. 20005

Telephone (202) 483-2700

78 MAR 13 PM 2:34

March 10, 1978

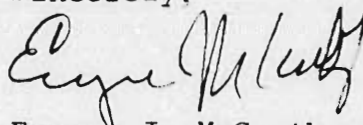
Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K St. N.W.
Washington, D.C. 20463

Dear Mr. Oldaker:

In response to your letter of February 16, 1978 (MUR 485), I request an additional two weeks to submit information relevant to the inquiry.

The additional time is needed to gather information and documents for my response to the complaint.

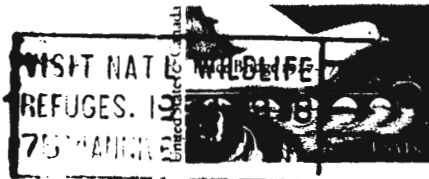
Sincerely,



Eugene J. McCarthy

EJM/jd

Eugene J. McCarthy
1440 N Street, Northwest
Washington, D.C. 20005



78 MAR 1
Mr. William Oldaker
General Counsel
Federal Election Commission
1325 K St. N.W.
Washington D.C. 20463

2002908

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1420 N STREET, NW
WASHINGTON, D.C. 20005
(202) 483-2700

March 10, 1978

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

18 MAR 10 P 1:25

RECEIVED
FEDERAL ELECTION COMMISSION
MAR 10 1978

Dear Mr. Oldaker:

RE: MUR 485

Following up my March 7th telephone conversation with Elena King of your staff, I formally request an extension of our Committee's response time until at least March 21st.

I request the extension for two reasons. First, the complaint is lengthy and complex. In order to furnish an appropriate response, I need additional time to locate documents and secure affidavits. Second, a sudden and serious illness in my immediate family has reduced severely the amount of time I can spend in responding to the complaint.

Sincerely,



Mary Meehan, Treasurer

Committee for a Constitutional Presidency
1420 H St., N. W.
Washington, D. C. 20005

FEDERAL ELECTION
COMMISSION

78 MAR 10 P 1: 26

HAND-DELIVERY

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 23, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Senator Eugene McCarthy
c/o Committee for a Constitutional
Presidency
1420 N Street, NW
Washington, D.C. 20002

Re: MUR 485(78)

Dear Senator McCarthy:

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.

We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
William C. Oldaker
General Counsel

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. _____
☒ Show to whom, date, and address of delivery. _____
☐ RESTRICTED DELIVERY
Show to whom and date delivered. _____
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Sen. McCarthy
Comm for a Constitutional
Presidency

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
438195

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Charles F. Smith

4. DATE OF DELIVERY
2-27-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK
FEB 27 1978
WASHINGTON, D.C.

CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 23, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Dear Mr. Poddar:

Re: MUR 485(78)

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.

We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel

Enclosure



310402407.10

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Dear Mr. Poddar:

Re: ~~MMR~~ 485(78)

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed ~~Herein~~.

We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oddaker
General Counsel

Enclosure

[Handwritten signature]



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 23, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shrikumar Poddar, President
Educational Subscription Service
3308 South Cedar Street
Lansing, Michigan 48910

Dear Mr. Poddar:

Re: MUR 485(78)

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.

We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel

Enclosure



PS Form 3811, Apr 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

455 6L

● SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. \$
☒ Show to whom, date, and address of delivery. \$
☐ RESTRICTED DELIVERY
Show to whom and date delivered. \$
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Poddar Educational Subscription Service

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
438193

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent
Charles Hayes

4. DATE OF DELIVERY
MAR - 1 1978

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

POSTMARK
MAR 1 1978
LA SING IW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shrikumar Poddar, President
Educational Subscription Service
3308 South Cedar Street
Lansing, Michigan 48910

Dear Mr. Poddar:

Re: MUR 485 (78)

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.


We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elona King at (202) 523-4529.

Sincerely yours,

William C. OLEaSer
General Counsel

Enclosure





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 23, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Shrikumar Poddar
APP's Advertising Agency
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485(78)

Dear Mr. Poddar:

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.

We had indicated in our earlier letter that you had ten days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

William C. Oldaker
General Counsel

Enclosure



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

465 64

● **SENDER** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery
☐ **RESTRICTED DELIVERY**
Show to whom and date delivered
☐ **RESTRICTED DELIVERY**
Show to whom, date, and address of delivery. \$ 2
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
*Poddar
APP's Advertising Agency*

3. **ARTICLE DESCRIPTION:**
REGISTERED NO. 438192 CERTIFIED NO. INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent
Charles Taylor

4. **DATE OF DELIVERY**
MAR - 1 1978

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE:**

POSTMARK
LANSING, MI
MAR 1 1978
U.F.O. CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1525 K STREET N.W.
WASHINGTON, D.C. 20463

February 21, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mary Meehan
Committee For A Constitutional Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485 (76)

Dear Ms. Meehan:

In the Commission's letter of February 16, 1978 notifying you of our investigation of the above-referenced matter, we neglected to forward a copy of the complaint, which you will find enclosed herein.

We had indicated in our earlier letter that you had ten (10) days to provide us with any information you deemed relevant to this matter. Please be advised that this ten day period will commence on your receipt of this letter.

If you have any questions, please contact David Spiegel or Elena King at (202) 523-4529.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "William C. Oldaker".

William C. Oldaker
General Counsel

Enclosure



MLR 485 LIPKID

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.		
1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered. <input type="checkbox"/> Show to whom, date, and address of delivery. <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. <input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery. \$.. (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO: Mary Meehan 61420 N St., NW. Wash., D.C.		
3. ARTICLE DESCRIPTION: REGISTERED NO. CERTIFIED NO. INSURED NO.		
(Always obtain signature of addressee or agent)		
I have received the article described above. SIGNATURE Address <input type="checkbox"/> Authorized agent		
4.	DATE OF DELIVERY 2-11-78 4:50 PM	POSTMARK
5. ADDRESS (Complete only if requested)		
6. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar,
President
Educational Subscription
Service
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that the Educational Subscription Service has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Educational Subscription Service has committed a possible violation of 2 U.S.C. §441b(a) in connection with its services rendered for the Committee for a Constitutional Presidency which have not yet been paid for by the Committee.

Section 441b(a) of Title 2 of the United States Code prohibits any corporation from making a contribution or expenditure in connection with any Federal election. For the purposes of this section, the term "contribution or expenditures" includes not only a payment or loan, but also services or anything of value.

Specifically, the Commission has determined that the services rendered by the Educational Subscription Service that have not yet been paid for by the Committee may constitute corporate contributions in violation of this section.

It should be noted, however, that §114.10 of the Commission's regulations allows a corporation to extend credit to a candidate or political committee "provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extension of



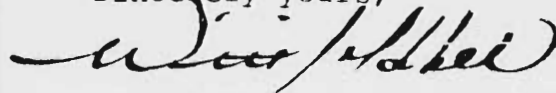
credit to nonpolitical debtors" of similar risk.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. In order that this matter may be promptly resolved, the Commission requests that you submit any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,



William C. Oldaker
General Counsel

YES EK

● SENDER: Complete items 1, 2, and 4. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. _____
☒ Show to whom, date, and address of delivery. _____
☐ RESTRICTED DELIVERY
Show to whom and date delivered. _____
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO: *Shrikumar Podder, Pres., Educational Subscription Services, 3308 S. Cedar St Lansing, MI 48910*

3. ARTICLE DESCRIPTION:
REGISTERED NO. *438125* CERTIFIED NO. _____ INSURED NO. _____
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent
Charles D. Hayes

4. DATE OF DELIVERY *FEB 22 1977* POSTMARK *LANSING MI FEB 22 1977*

5. ADDRESS (Complete only if not on label)

6. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS _____

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint charging that the Washington Watch has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Washington Watch has committed a possible violation of 2 U.S.C. §441b(a). This section prohibits any corporation from making a contribution or expenditure in connection with any Federal election. For purposes of this section, the term "contributions or expenditures" includes not only a payment or loan, but services or anything of value.

Specifically, the Commission has determined that the loans made by the Washington Watch in the amount of \$51,000 and its contributions of services, in the form of articles written on behalf of the campaign, to the Committee for a Constitutional Presidency are possible violations of this section.

It should be noted, however, that §114.10 of the Commission's regulations allows a corporation to extend credit to a candidate or political committee "provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extension of credit to nonpolitical debtors" of similar risk.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit



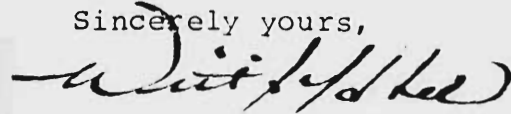
any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. In order that the matter may be promptly resolved, the Commission requests that your response be made within ten (10) days of your receipt of this letter. Statements should be submitted under oath.

If you intend to be represented by counsel, please have such counsel so notify us in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,



William C. Oldaker
General Counsel

985 9K

PS Form 3811, Apr. 1977

● **SENDER:** Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. _____
☒ Show to whom, date, and address of delivery. _____
☐ **RESTRICTED DELIVERY**
Show to whom and date delivered. _____
☐ **RESTRICTED DELIVERY.**
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
Shikumar Poddar
c/o The Washington Water
3308 South Cedar St.

3. **ARTICLE DESCRIPTION:**
REGISTERED NO. CERTIFIED NO. INSURED NO.
438107

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent

4. DATE DELIVERED 10/18 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
APP's Advertising Agency
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that APP's Advertising Agency has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that APP's Advertising Agency has made a possible violation of 2 U.S.C. §441a(a)(1)(A) in connection with its services rendered for the Committee for a Constitutional Presidency that have not yet been paid for by the Committee.

Section 441a(a)(1)(A) of Title 2 of the United States Code prohibits any person or group from making contributions in excess of \$1,000 to any candidate or his committee with respect to any election for Federal office. Further, §§100.4(a)(1) and (a)(1)(iii) of the Commission's regulations define contributions as "... advertising, services ... or other in-kind contributions provided without charge ... or at a charge which is below the usual and normal charge for the items." Specifically, the Commission has determined that the services rendered by APP's Advertising Agency that have not yet been paid for by the Committee may constitute contributions made by the Agency in excess of the \$1,000 individual contribution limitations.

Under the Act, you have the opportunity to demonstrate that no action should be taken against APP's Advertising Agency. In order that this matter may be promptly resolved, the Commission requests that you provide any information you deem relevant to this inquiry within ten (10) days of



receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of my office at (202)523-4529.

Sincerely yours,



William C. Oldaker
General Counsel

78 Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery.
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mr. Shrikumar Poddar
APP's Advertising Agency
3308 South Cedar St.
Birmingham, AL 35204 M7

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
438132

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized Agent
Charles Poddar

4. DATE OF DELIVERY
FEB 22 1978

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint charging that you have committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that you have committed a possible violation of 2 U.S.C. §441a(a)(1)(B). This section prohibits an individual from making a contribution in excess of \$20,000 to a political committee of a national party.

Specifically, the Commission has determined that the \$27,200 in contributions and loans made by yourself to the Committee for a Constitutional Presidency during 1976 may be a violation of this section.

In addition, the complaint alleges that some \$51,000 in unpaid loans purportedly made by the Washington Watch to the Committee for a Constitutional Presidency were, in fact, made by you. This raises the possibility of a violation of 2 U.S.C. §441f which prohibits a person from making a contribution in the name of another.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. In order that the matter may be promptly resolved, the Commission requests that your response be made within ten (10) days of your receipt of this letter.



Statements should be submitted under oath. If you intend to be represented by counsel, please have such counsel so notify us in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

W. C. Oldaker

William C. Oldaker
General Counsel

485 EK

PS Form 3811, Apr. 1977

● **SENDER:** Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. _____ \$
☒ Show to whom, date, and address of delivery. _____ \$
☐ **RESTRICTED DELIVERY**
Show to whom and date delivered. _____ \$
☐ **RESTRICTED DELIVERY.**
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
Shri. Kumar Poddar
c/o The Washington Watch
3305 South Cedar St.
Lansing, MI 48210

3. **ARTICLE DESCRIPTION:**
REGISTERED NO. _____ CERTIFIED NO. 438115 INSURED NO. _____
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent

4. **DATE OF DELIVERY** FEB 21 1978 **POSTMARK**
JAN 21 1978
FEB 21 1978
U.S. POSTAL SERVICE

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE:**

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL.



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Eugene McCarthy
c/o Committee for a Constitutional
Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485

Dear Mr. McCarthy:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that you have committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that you have made a possible violation of 2 U.S.C. §441b(a) in connection with your knowing receipt of corporate contributions in violation of the corporate contribution limitations.

Section §441b(a) of Title 2 of the United States Code prohibits a candidate from knowingly accepting corporate contributions. Specifically, the Commission has determined that your receipt of loans totaling \$51,000 from the Washington Watch may constitute a violation of this section. Further, the complaint asserts that these loans may in fact have been made by Mr. Poddar through the Washington Watch. If this allegation is verified by our investigation into this matter, the Commission may have reason to believe that you have violated 2 U.S.C. §441a(f) in connection with your knowing acceptance of these monies in excess of individual campaign contribution limitations.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. In order that this matter may be promptly resolved, the Commission requests



that you provide any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker

William C. Oldaker
General Counsel

78 Form 3811, Apr. 1977

485-EX

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered. _____
☒ Show to whom, date, and address of delivery. _____
☐ RESTRICTED DELIVERY
Show to whom and date delivered. _____
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO: *Mr. Eugene McCarthy*
110 Comm. Hse for a Constitutional
Presidency
1426 N St NW Wash, D.C. 20005

3. ARTICLE DESCRIPTION:
REGISTERED NO. _____ CERTIFIED NO. 438108 INSURED NO. _____
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☒ Addressee ☐ Authorized agent
Theresa...

4. DATE OF DELIVERY 2-21-78 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO : 1977-O-234-337



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Meehan
Committee for a Constitutional
Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485

Dear Ms. Meehan:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that the Committee has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Committee for a Constitutional Presidency has made possible violations of 2 U.S.C. §441b(a) in connection with its alleged acceptance of free services rendered by the Washington Watch and the Educational Subscription Service in behalf of the McCarthy campaign. Further, the Commission has found reason to believe that the Committee has made possible violations of 2 U.S.C. §441a(f) with respect to its alleged knowing acceptance of loans in excess of the \$1,000 individual campaign contribution limitations and its acceptance of free services rendered by APP's Advertising Agency.

Section 441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting contributions which are made in the form of expenditures by said corporation in connection with any election to any political office. Specifically, the Commission has determined that the CCP's debt of \$2,000 to an editor of the Washington Watch, its consultation with the Watch for articles written in the Watch which pertain to McCarthy, and the fact that no costs appear to have been incurred by the CCP for printing and distribution of these articles may involve a corporate contribution by the Washington Watch to the McCarthy campaign which the CCP knowingly accepted. Further, the Commission



has determined that the services rendered by the Educational Subscription Service which have not been paid for by the CCP may constitute a knowing acceptance of corporate contributions in the form of extensions of credit that are not in the ordinary course of business (see 11 C.F.R. §114.10).

Section 441a(f) of Title 2 of the United States Code prohibits a political committee from knowingly accepting illegal campaign contributions made by an individual. Specifically, the Commission has determined that the CCP's acceptance of loans from Mr. Shrikumar Poddar totaling approximately \$27,200, in excess of the \$20,000 individual campaign contribution limitations, may constitute a violation of the Federal Election Campaign Act by the Committee for a Constitutional Presidency. Moreover, the \$20,000 limitation applies to contributions "to political committees established and maintained by a national political party, which are not the authorized political committee of any candidate" (see 2 U.S.C. §441a(a)(1)(B)). Since complainant asserts that you are not a "national political party" the amount of the aforementioned violation may be higher. Further, the CCP's unpaid debts for services rendered by APP's Advertising Agency may constitute a violation of §441a(f) by the CCP for knowingly accepting contributions in excess of the individual contribution limitations. In addition, the complaint asserts that loans totaling \$51,000 from the Washington Watch to Mr. McCarthy may in fact have been channelled from Mr. Poddar through the Watch to Mr. McCarthy and subsequently given to the CCP. If this allegation is verified during the course of an investigation of this matter, the Commission may have reason to believe the CCP committed an additional violation of 2 U.S.C. §441a(f) in connection with its acceptance of these monies.

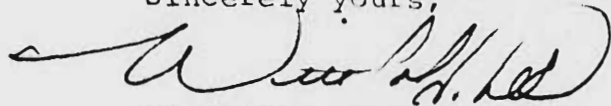
Under the Act, you have the opportunity to demonstrate that no action should be taken against the Committee for a Constitutional Presidency. In order that this matter may be promptly resolved, the Commission requests that you provide any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in

writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,



William C. Oldaker
General Counsel

485 9K

PS Form 3811, Apr. 1977

● **SENDER:** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ **RESTRICTED DELIVERY**
Show to whom and date delivered.
☐ **RESTRICTED DELIVERY**
Show to whom, date, and address of delivery.
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:** *Ms. Mary McKean
Committee for a Constitutional
Presidency, 1430 N St, NW
Washington, D.C. 20005*

3. **ARTICLE DESCRIPTION:**
REGISTERED NO. CERTIFIED NO. INSURED NO.
438120

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☒ Addressee ☐ Authorized agent
[Signature]

4. **DATE OF DELIVERY**
2-21-78

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE:**

CLERK'S INITIALS

POSTMARK
FEB 21 1978

☆ GPO : 1977-O-234-337

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 485 (77)
Eugene McCarthy, Committee for)	
a Constitutional Presidency,)	
Shrikumar Poddar, The Washington)	
Watch, Educational Subscription)	
Service, APP's Advertising)	
Agency)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on February 15, 1978, the Commission accepted the recommendations of the General Counsel as follows:

1. Eugene McCarthy:

Find reason to believe that Mr. McCarthy violated 2 U.S.C. §441b(a) in connection with his knowing receipt of \$51,000 in violation of corporate contribution limitations.

2. Shrikumar Poddar:

Find reason to believe that Mr. Poddar violated 2 U.S.C. §441a(a)(1)(B) with respect to his loans and contributions totaling \$27,200 to the CCP.

3. The Washington Watch:

Find reason to believe that the Washington Watch violated 2 U.S.C. §441b(a) in connection with its contribution of services to the CCP. With regard to the \$51,000 in loans, if they were in fact made from corporate monies (rather than Poddar's personal monies), there is reason to believe the Washington Watch violated §441b(a).

4. Committee for a Constitutional Presidency:

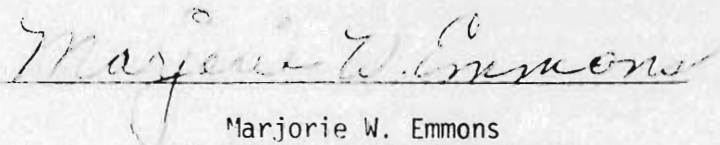
- A. Find reason to believe that the CCP violated 2 U.S.C. §441b(a) in connection with its acceptance of, and consultation with the Washington Watch for, in kind corporate contributions in the form of services rendered by the Watch, and its acceptance of in kind corporate contributions in the form of services rendered by the Educational Subscription Service.
- B. Find reason to believe that the CCP violated 2 U.S.C. §441a(f) in connection with its knowing acceptance of in kind contributions in the form of services rendered by the APP's Advertising Agency which have not yet been paid for by the CCP.

5. Educational Subscription Service:

Find reason to believe that the Educational Subscription Service violated 2 U.S.C. §441b(a) in connection with its extension of credit to the CCP that was not in the ordinary course of business.

6. APP's Advertising Agency:

Find reason to believe that APP's Advertising Agency violated 2 U.S.C. §441a(a)(1)(A) in connection with its contribution of services in excess of the individual contribution limitations.



Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 15, 1978

MEMORANDUM TO: CHARLES STEELE
FROM: MARJORIE W. EMMONS *mw*
SUBJECT: MUR 485 (77) - First General Counsel's Report

The above-mentioned document was circulated to the
Commissioners on February 14, 1978 at 2:00.

As of 4:00, this date, no objections have been received
in the Office of Commission Secretary to the recommendations
in the First General Counsel's Report on MUR 485 (77).

ATTACHMENT:
Certification



February 14, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 485

Please have the attached 7 day report on MUR 485 distributed to the Commission on a 24 hour no-objection basis.

Thank you.

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION _____

MUR # 485 (77)
DATE COMPLAINT RECEIVED
BY OGC 12/17/77

STAFF MEMBER KING/HUBER

COMPLAINANT'S NAME: Mr. Bruce L. Brown

RESPONDENT'S NAME: Eugene McCarthy, Committee for a Constitutional
Presidency, Shrikumar Poddar, The Washington Watch,
Educational Subscription Service, APP's Advertising
RELEVANT STATUTE: Agency

2 U.S.C. §§441a(a)(1)(A), 441a(f), 441b(a), 441f

INTERNAL REPORTS CHECKED:

Campaign reports of the CCP and Eugene McCarthy that
have been filed with the FEC

FEDERAL AGENCIES CHECKED:

none

SUMMARY OF ALLEGATIONS

Complainant alleges that an individual, named Shrikumar Poddar, a non-citizen, made a series of illegal campaign contributions to the 1976 McCarthy Presidential Campaign. The contributions were made either by Mr. Poddar himself or through three corporations which he allegedly controlled-- the Washington Watch (a private newsletter); the Educational Subscription Service (ESS); and APP's Advertising Agency.

The specific allegations can be summarized as follows:

1. Approximately \$21,000 in unpaid loans made by Mr. Poddar, a non-citizen, to the Committee for a Constitutional Presidency (CCP), McCarthy's campaign committee, violate the \$1,000 contribution limitations of 2 U.S.C. §441a(a)(1)(A); in addition, \$51,000 in unpaid loans made

by the Washington Watch were also allegedly made by Poddar and, therefore, purportedly violated 2 U.S.C. §441f. Moreover, as we note infra, even if the \$51,000 in loans were in fact made by the Washington Watch, they may be in violation of 2 U.S.C. §441b(a).

2. The Washington Watch allegedly donated free services on behalf of McCarthy by consulting with the candidate and the CCP and then writing articles on his behalf. The thrust of this allegation involves a possible violation of 2 U.S.C. §441b(a).

3. APP's Advertising Agency and the Educational Subscription Service allegedly violated 2 U.S.C. §441b(a) by extending credit to the CCP that was not in the ordinary course of business, thereby making corporate contributions (see 11 C.F.R. §§100.4, 114.10(c)).

4. The complainant suggests, although it does not actually allege, that the CCP and Mr. McCarthy violated 2 U.S.C. §441a(f) by knowingly accepting contributions from Mr. Poddar in violation of the contribution limitations; McCarthy and the CCP may have also violated 2 U.S.C. §441b(a) by knowingly accepting corporate contributions.

LEGAL ANALYSIS

The factual information submitted by the complainant was verified by an examination of the pertinent campaign reports on file with the Commission. Our specific analysis of the allegation is as follows:

1. A. It was found that Mr. Poddar is a resident alien who was admitted for permanent residence in January, 1971. He therefore could make campaign contributions within the meaning of §441e(b). However, the \$21,000 in loans by Mr. Poddar to the CCP would be in violation of the \$1,000 limitation of 2 U.S.C. §441a(a)(1)(A) unless the CCP qualifies as a "political committee established and maintained by a national political party," in which case the loans would be subject to the \$20,000 limitation set forth in 2 U.S.C. §441a(a)(1)(B).

The CCP has asserted that it is a national party committee and, in fact, submitted an advisory opinion request dated September 3, 1976, asking that the Commission consider the CCP-McCarthy '76 committee to be a "national party" and a "national party committee" for the purpose of receiving matching funds. No advisory opinion was issued on this matter by the Commission since there "was no indication that it (the CCP) anticipates engaging in activities which are traditionally conducted by political party organization," (see AOR 1976-81, attached).

Mr. Poddar made a \$1,000 contribution to the CCP on March 1, 1976 and a \$15,000 loan on September 2, 1976, before the CCP asserted that it had assumed national party status. The \$5,000 remaining in the questioned \$21,000 was loaned on September 15, 1976-- after the CCP submitted its request. Further, the CCP's reports for September made a note that the \$20,000 loaned in September fell within the contribution limitations for a national party committee. However, the records, as stated above, indicate that \$16,000 was in fact loaned to the CCP before

September 3, until which time it had claimed to be McCarthy's principle campaign committee. These monies would therefore violate the individual contribution limitations to a principle campaign committee. Moreover, our records indicate an additional loan of \$6,000 from Mr. Poddar to the CCP on September 15, 1976 and another \$200 contribution made on October 26, 1976 which were not specifically mentioned in the complaint. Consequently, if we were to assume that the CCP is a national party committee, Mr. Poddar's loans and contributions totaling at least \$27,200 during 1976 would be in excess of individual contribution limitations for such committees.

The complainant raises directly the question of whether the CCP could-- or did-- change its status from that of a principle campaign committee to that of a national party committee. The reports of the CCP indicate that it supported only one candidate for federal office after September 3, 1976-- Eugene McCarthy; the CCP reports expenditures for ballot petitions and filing fees for Mr. McCarthy in at least 25 states.

Mary Meehan, the treasurer of the CCP, however, claims in a letter to the FEC dated November 16, 1976, that the CCP had contributed not only to presidential candidate McCarthy, but also to "vice-presidential candidates and candidates for presidential election" (letter attached with AOR).

Since the CCP has apparently been acting as a national party organization since September, 1976, without any Commission action against this, it is our recommendation that the issue should be examined in the

context of an investigation of possible §441a(a)(1)(B) violations by Mr. Poddar and the CCP, based on the assumption that the CCP is a national party committee.

During our analysis of the CCP campaign records we also discovered that Mrs. Mayurika Poddar, Mr. Poddar's wife, contributed \$500 to the CCP on May 24, 1976 and made an unsecured loan to the CCP for \$5,000 on December 9, 1976 which has not been repaid. Based upon our reasons set forth above, if it is discovered that the CCP is not a national party committee, there would be reason to believe that Mrs. Poddar violated 2 U.S.C. §441a(a)(1)(A). During the course of the investigation we will seek to determine whether Mr. McCarthy or the CCP violated 2 U.S.C. §§441a(f) and 441b(a) by knowingly accepting these monies.

B. With regard to the \$51,000 in unpaid loans from the Washington Watch to Mr. McCarthy, the complainant's assertion of a §441f violation is based on the fact that Mr. Poddar and his wife are the sole officers and trustees of this corporation. Whether or not this warrants the inference that the loans were in fact made by Mr. Poddar through the books of the Washington Watch should be examined in the course of an investigation based on the assumption that the \$51,000 was actually loaned by the Washington Watch. The Commission should find reason to believe that the Washington Watch has violated 2 U.S.C. §441b by making illegal corporate contributions to the McCarthy campaign and that Eugene McCarthy has violated §441b(a) by knowingly accepting these monies.

If, during the course of the investigation, it is found that the \$51,000 of loans from the Watch to McCarthy actually were loans which Mr. Poddar made "through the books" of the Watch, there would be a basis upon which to find that Mr. Poddar had violated 2 U.S.C. §441f and had made an additional violation of 2 U.S.C. §441a (a) (1) (A). In this respect it could also be found that McCarthy and the CCP had violated 2 U.S.C. §441a(f) in connection with his knowing acceptance of contributions in excess of the individual contribution limitations.

2. With respect to the allegation that the Washington Watch donated free services to the McCarthy campaign, Commission reports indicate that a \$2,000 payment (still outstanding according to FEC records) to an editor of the Watch was to be made by the CCP in connection with his work on articles in McCarthy's behalf. Under 2 U.S.C. §431f(4) (A), an "expenditure" does not include "any news story, commentary, or editorial distributed through the facilities of any ... newspaper ... or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate," (emphasis added). Further, 11 C.F.R. §100.4(b) (8) states that when such a publication facility is owned or controlled by a political party, political committee or candidate a news story which "(1) represents a bona fide news account communicated in a publication of general circulation ... and (2) is part of a general pattern of campaign related news accounts which give reasonably equal coverage to all opposing candidates in the circulation ... area,

shall not be a contribution." Examination of the copies of the Washington Watch submitted by the complainant indicated a distinct bias for McCarthy represented in these issues; every issue contained articles on McCarthy, while there appeared to be none in support of other candidates. Considering this evidence, coupled with the alleged friendship of Mr. McCarthy and Mr. Poddar, the owner of the Watch, and the fact that the CCP was to pay an editor of the Watch for his work on articles pertaining to the candidate which appeared in the Watch there is some question as to whether the Washington Watch was actually operating as an independent newspaper during this time, or rather, if some sort of "control" over the Watch, or collaboration with its owner, was exercised by Mr. McCarthy and the CCP. Consequently, we believe that a finding of reason to believe that the Washington Watch and the CCP violated 2 U.S.C. §441b(a) is warranted at this time.

3. With regard to the third allegation that the Educational Subscription Service and APP's Advertising Agency extended credit to the CCP that was not in the ordinary course of business, an investigation of pertinent FEC reports shows that the CCP has not paid back major portions of its debts owed to these two groups. Since the CCP reports on file with the FEC have not been properly filled out, we are prevented from determining the exact amounts that are owed to these businesses. However, our analysis reveals that approximately \$3,000 is owed to ESS (we cannot determine the amount of the original debt from the records) and approximately \$21,000 is still outstanding on a debt of \$27,481 to APP's. During the course of our analysis we contacted the Michigan Department of Commerce to verify the corp-

orate status of these two groups. It was found that the ESS is incorporated in Michigan, but that APP's Advertising Agency is not registered as a corporation. Moreover, while the mere fact that debts to these two groups have not yet been repaid would not provide a basis for a finding of reason to believe, Mr. Poddar's ownership of these groups and his friendship with Mr. McCarthy may indicate that these extensions of credit were not in the ordinary course of business. The Commission, therefore, should find reason to believe that: the Educational Subscription Service violated 2 U.S.C. §441b(a) in connection with its corporate contributions in the form of extension of credit not in the ordinary course of business (see 11 C.F.R. §§114.10 and 100.4); APP's Advertising Agency violated 2 U.S.C. §441a(a)(1)(A) in connection with its contributions in the form of services in excess of individual contribution limitations.

RECOMMENDATIONS

1. Eugene McCarthy:

Find reason to believe that Mr. McCarthy violated 2 U.S.C. §441b(a) in connection with his knowing receipt of \$51,000 in violation of corporate contribution limitations.

2. Shrikumar Poddar:

Find reason to believe that Mr. Poddar violated 2 U.S.C. §441a(a)(1)(B) with respect to his loans and contributions totaling \$27,200 to the CCP.

3. The Washington Watch:

Find reason to believe that the Washington Watch violated 2 U.S.C. §441b(a) in connection with its contribution of services to

to the CCP. With regard to the \$51,000 in loans, if they were in fact made from corporate monies (rather than Poddar's personal monies), there is reason to believe the Washington Watch violated §441b(a).

4. Committee for a Constitutional Presidency:

A. Find reason to believe that the CCP violated 2 U.S.C. §441b(a) in connection with its acceptance of, and consultation with the Washington Watch for, in kind corporate contributions in the form of services rendered by the Watch, and its acceptance of in kind corporate contributions in the form of services rendered by the Educational Subscription Service.

B. Find reason to believe that the CCP violated 2 U.S.C. §441a(f) in connection with its knowing acceptance of in kind contributions in the form of services rendered by the APP's Advertising Agency which have not yet been paid for by the CCP

5. Educational Subscription Service:

Find reason to believe that the Educational Subscription Service violated 2 U.S.C. §441b(a) in connection with its extension of credit to the CCP that was not in the ordinary course of business.

6. APP's Advertising Agency:

Find reason to believe that APP's Advertising Agency violated 2 U.S.C. §441a(a)(1)(A) in connection with its contribution of services in excess of the individual contribution limitations.



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

November 26, 1976

Re: AOR 1976-81

Ms. Mary Meehan
Mr. John Tabori
McCarthy '76
1440 N Street, N.W.
Washington, D. C. 20005

Dear Ms. Meehan and Mr. Tabori:

This refers to your letter dated September 3, 1976, requesting an advisory opinion on behalf of Mr. Eugene J. McCarthy. Your request presented several questions involving Mr. McCarthy's eligibility for public funding under Title 26 of the United States Code and the status of the Committee for a Constitutional Presidency-McCarthy '76 under the Federal Election Campaign Act of 1971, as amended.

The issues raised in the request are now moot since Mr. McCarthy did not receive five percent or more of the popular vote received by all presidential candidates in the recent election. Furthermore, the issue of whether the Committee may be treated as a national committee of a political party does not require a response at this time since there is no indication that it anticipates engaging in activities which are traditionally conducted by political party organizations. See in this connection Advisory Opinion 1976-95 recently issued by the Commission to the Liberal Party of New York; also see Advisory Opinion 1975-129 in which the Commission concluded on the basis of specifically described activities that the National Committee of the Libertarian Party was the national committee of a political party (copies enclosed).

Accordingly, we propose to take no further action on your request. This letter has been brought to the attention of the Commission which has not objected to its release.

Sincerely yours,

N. Bradley Litchfield
Assistant General Counsel

Enclosures



MC CARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

76 SEP 7 P2:18

September 3, 1976

OPINION REQUEST

750

Mr. John G. Murphy, Jr.
General Counsel
4th Floor
Federal Election Commission
1325 K St, N.W.
Washington, D.C. 20463

762036

Dear Sir:

Pursuant to Section 437(f) of the Federal Election Campaigns Act, we request an advisory opinion on the following matters.

THE FACTS:

1. Former Senator Eugene J. McCarthy is an independent candidate for President of the United States with a principal authorized campaign committee known as the Committee for a Constitutional Presidency-McCarthy '76.
2. Senator McCarthy is presently on the ballot in more than 10 states.
3. Senator McCarthy's expenditures from personal funds in connection with his general election campaign are presently not in excess of \$50,000.

THE ISSUES IN QUESTION:

1. Clarification of Eligibility for Public Financing Under the Presidential Election Campaign Fund Act.

Guided by the language of the Supreme Court in Buckley v. Valeo, 424 U.S. 1 at 81, which noted the constitutional difficulties that might arise by excluding a candidate from public financing of qualified campaign expenses solely because such candidate lacked affiliation with a "political party" (Storer v. Brown, 415 U.S. 724, 745-6), and the remark by the Court of Appeals of the possibility of construing the Presidential Election Campaign Fund Act as affording financial assistance to independent candidates (Buckley v. Valeo, 519 F. 2d, at 887), Senator McCarthy and his principal authorized campaign committee expect to receive public financing for qualified general election campaign expenses.

For the purposes of the Presidential Election Campaign Fund Act (Title 26, Chapter 95 of the U.S. Code) and the Federal Election Campaign Act (Title 2, Chapter 14 of the U.S. Code) will the Commission confirm:

- A. that the Committee for a Constitutional Presidency-McCarthy '76 is to be treated as a "political party".
- B. that Senator McCarthy is to be treated as a "candidate of a political party" in accordance with Chapter 95, Section 9002 (2)(B).
- C. that upon compliance with the conditions for eligibility of Chapter 95, Sections 9003 and 9004, Senator McCarthy and his principal authorized campaign committee will be entitled to receive post-election payments for qualified general election campaign expenses.

- D. that the limitation prescribed in Chapter 95, Section 9004(d), holding campaign expenditures from personal funds by candidates to an aggregate of \$50,000, did not commence running until August 20, 1976, the day after the official closing of the Republican Party Convention in Kansas City, and that personal expenditures made by Senator McCarthy before that date need not be applied to the limit.
2. Clarification of the Rights and Duties of the Committee for a Constitutional Presidency-McCarthy '76 Under Chapter 95 and Chapter 14.

As we believe that the Committee for a Constitutional Presidency-McCarthy '76 should be treated as a "political party" for the purposes of Chapter 95 and Chapter 14, it will stand in the dual position of "political party" and "principal campaign committee". We believe that such a hybrid nature may cause confusion as to the rights and duties of the Committee under both Chapters. Will the Commission comment on the following:

- A. To effectively cure difficulties arising out of the dual role of the single committee, Senator McCarthy has withdrawn authorization as his principal campaign committee from the Committee for a Constitutional Presidency-McCarthy '76 and will vest that authorization in a separate entity known as McCarthy '76. The separate Committee for a Constitutional Presidency will be treated as the "political party" of which Senator McCarthy is the presidential candidate

and will name the organization located at 1440 N Street, N.W. Washington, D.C. 20005 as its "national committee". The separate McCarthy '76 will be treated as the "principal campaign committee".

- B. The fact that the Committee for a Constitutional Presidency and McCarthy '76 may share the same offices and some personnel will not affect the separate character of the two organizations as they will maintain separate charters, officers, depositories, books, and individually comply with reporting requirements.
- C. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may receive contributions from persons and committees of up to \$20,000 and \$15,000 respectively in accordance with Chapter 14, Sections 441a(a)(1)(B) and 441a(a)(2)(B).
- D. The Committee for a Constitutional Presidency, being treated as a "political party" for the purposes of Chapters 14 and 95, may make expenditures in connection with the general election campaign of Senator McCarthy in accordance with Chapter 14, Section 441a (d)(2).
- E. McCarthy '76, being treated as the "principal campaign committee", may receive contributions from persons and committees of up to \$1,000 and \$5,000 respectively in

December 7, 1976

MEMORANDUM TO: Al Keema/Nancy Davis
FROM: David R. Spiegel *DRS*
RE: RAS #13-76

In view of the fact that the Commission divided evenly in its decision of this issue, it would appear that there is no basis for a compliance action.



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

November 24, 1976

MEMORANDUM TO: Bill Oldaker

THROUGH:

AM Andrew McKay/Al Keema

P.L. RAD 0163RS

FROM:

Nancy Davis *ND*

SUBJECT:

Committee for a Constitutional Presidency-McCarthy '76
RAS #13-76

The Committee for a Constitutional Presidency-McCarthy '76 was sent a 1st Notice, Surface Violation letter on November 10, 1976, as a result of the committee's disclosure of an excessive loan from Shrikumar Poddar on the October 10 Report (see attachment A). Poddar loaned \$6,000 to the Committee, exceeding the contribution limitations by either \$5,000 or \$1,000.

The Committee responded to our letter on November 16, 1976 (see attachment B), stating the loan did not exceed the contribution limitations, as they are "authorized by 2 U.S.C., section 441(a)(1)(B) to receive a contribution of up to \$20,000 from a single individual". The Committee expressed a strong and affirmative position that they are the equivalent of a political party's national committee.

In view of the fact the Commission's stance on this issue was divided, a 3 to 3 vote, I feel any further action should be generated by the Office of General Counsel.

Please advise RAS of your decision on this matter.





FEDERAL ELECTION COMMISSION

1100 K STREET, N.W.
WASHINGTON, D.C. 20063
November 10, 1976

Mary Meehan, Treasurer
Committee for a Constitutional
Presidency-McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Supplement A

Dear Ms. Meehan:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. This law has, as you know, many and sometimes complex provisions. One such provision precludes individuals and political committees, other than certain multicandidate committees, from making political contributions to a candidate for Federal election in excess of \$1,000 per election. The Act defines a multicandidate committee as one which has been registered for a period of not less than six months; has received contributions from more than fifty persons; and has made contributions to five or more candidates for Federal office.

During review of the October 10 Quarterly Report of Receipts and Expenditures filed with the Federal Election Commission, we noticed an entry indicating that you may have received a contribution which exceeds the limits noted above. A copy of that portion of your report is attached so that a review of your records can be made.

If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

If you find that the contribution you received was in excess of the limits set forth in the Act, the Commission recommends that you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of Receipts and Expenditures.

Please notify the Commission within ten (10) days of receipt of this letter of the determination made on this matter. If you have any questions, please do not hesitate to contact Nancy Davis (202/302-3434) our reports analyst assigned to you.

Sincerely,

Orlando B. Potter

Orlando B. Potter
Staff Director

Enclosure
Return Receipt
Requested: Certified

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 N STREET, NW

WASHINGTON, D.C. 20005

(202) 737-4900

November 16, 1976

Mr. Orlando E. Potter
Staff Director
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

000031856

Supplement B

RE: RAO163PS

Dear Mr. Potter:

As we advised the Federal Election Commission's General Counsel, by letter of September 3, 1976, the Committee for a Constitutional Presidency is the equivalent of a political party's national committee. As such, it contributed to presidential candidate Eugene J. McCarthy, to vice presidential candidates, and to candidates for presidential elector.

I am Treasurer of the Committee for a Constitutional Presidency. (Mr. James Yeager is Treasurer of McCarthy '76, Eugene J. McCarthy's principal campaign committee.)

The Committee for a Constitutional Presidency is authorized by 2 U.S.C., Section 441a(a)(1)(B) to receive a contribution of up to \$20,000 from a single individual. The loan you questioned falls under the same authorization.

Since the loan was permitted by law, and correctly reported, we believe that it would be improper to amend our report.

Sincerely,



Mary Hechan
Treasurer

11/15/76

**Itemized Receipts,
Contributions, Ticket Purchases, Loans,
Rebates, and Transfers for Line
Numbers 15, 16, 17 and/or 18 of FEC Form 3**
(See Instructions on back)

Page of for
LINE NUMBER 16A
(Use separate schedule for each numbered line)

Committee for a Constitutional Presidency-McCarthy '76

Full Name, mailing address and ZIP code Eugene J McCarthy 2033 Q Street, NW Washington, DC 20007 Principal place of business McCarthy '76 1440 N Street NW Washington, DC 20005		Date (month, day, year) 9-6-76 9-15-76	Amount of each receipt this period \$10,000.00 5,000.00
Occupation Writer <input checked="" type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date 1-5			
Full Name, mailing address and ZIP code Shrilakshmi Poddar 3308 S Cedar #11 Lansing, Michigan 48910 Principal place of business 2601 Cochise Lane Okemos, Michigan 48864		Date (month, day, year) 9-15-76	Amount of each receipt this period \$6,000.00
Occupation Direct Mailer <input type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date 5			
Full Name, mailing address and ZIP code		Date (month, day, year)	Amount of each receipt this period
Principal place of business			
Occupation			
<input type="checkbox"/> Check if Contributor is self-employed			
Aggregate Year-to-date 5			
Full Name, mailing address and ZIP code		Date (month, day, year)	Amount of each receipt this period
Principal place of business			
Occupation			
<input type="checkbox"/> Check if Contributor is self-employed			
Aggregate Year-to-date 5			
Full Name, mailing address and ZIP code		Date (month, day, year)	Amount of each receipt this period
Principal place of business			
Occupation			
<input type="checkbox"/> Check if Contributor is self-employed			
Aggregate Year-to-date 5			
Full Name, mailing address and ZIP code		Date (month, day, year)	Amount of each receipt this period
Principal place of business			
Occupation			
<input type="checkbox"/> Check if Contributor is self-employed			
Aggregate Year-to-date 5			
Subtotal of receipts this page (optional)			\$
Total this period (last page this line number only)			\$ 21,000.

76030370152

Debts and Obligations for Line Numbers 26 and/or 27 of FEC Form 3

Page 6 of 6 for
LINE NUMBER
(Use separate schedule(s) for each
numbered line)

(See Instructions on back)

6

Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
John Pointz 1000 Baltimore MD 87106 ORGANIZED COMMITTEE FOR OWNED	9/30/76	\$ 1,000.	\$ -0-	\$ 1,000.
William S. Warren 1342 Ingleside Terr Wash DC 20030 ORGANIZED COMMITTEE FOR OWNED	9/30/76	\$ 1,000.	\$ -0-	\$ 1,000.
SECURED LOAN Dorothy J. McCarthy 3053 Q St NW Wash DC 20007	9/6/76 9/15/76	\$ 10,000. 5,000.	\$ -0- -0-	\$ 10,000. 5,000.
SECURED LOAN Shirley R. Bolder 2601 N. W. 11th St Miami FL 33134	9/15/76	\$ 6,000.	\$ -0-	\$ 6,000.
Subtotals this period (page 6, optional)		\$	\$	\$ 22,000
Total this period (page 6, this line number only)		\$	\$	\$
Carry over to page 7 (page 7, this line number only)				

Page



FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Meehan
Committee for a Constitutional
Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485

Dear Ms. Meehan:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that the Committee has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Committee for a Constitutional Presidency has made possible violations of 2 U.S.C. §441b(a) in connection with its alleged acceptance of free services rendered by the Washington Watch and the Educational Subscription Service in behalf of the McCarthy campaign. Further, the Commission has found reason to believe that the Committee has made possible violations of 2 U.S.C. §441a(f) with respect to its alleged knowing acceptance of loans in excess of the \$1,000 individual campaign contribution limitations and its acceptance of free services rendered by APP's Advertising Agency.

Section 441b(a) of Title 2 of the United States Code prohibits a political committee from knowingly accepting contributions which are made in the form of expenditures by said corporation in connection with any election to any political office. Specifically, the Commission has determined that the CCP's debt of \$2,000 to an editor of the Washington Watch, its consultation with the Watch for articles written in the Watch which pertain to McCarthy, and the fact that no costs appear to have been incurred by the CCP for printing and distribution of these articles may involve a corporate contribution by the Washington Watch to the McCarthy campaign which the CCP knowingly accepted. Further, the Commission



has determined that the services rendered by the Educational Subscription Service which have not been paid for by the CCP may constitute a knowing acceptance of corporate contributions in the form of extensions of credit that are not in the ordinary course of business (see 11 C.F.R. §114.10).

Section 441a(f) of Title 2 of the United States Code prohibits a political committee from knowingly accepting illegal campaign contributions made by an individual. Specifically, the Commission has determined that the CCP's acceptance of loans from Mr. Shrikumar Poddar totaling approximately \$27,200, in excess of the \$20,000 individual campaign contribution limitations, may constitute a violation of the Federal Election Campaign Act by the Committee for a Constitutional Presidency. Moreover, the \$20,000 limitation applies to contributions "to political committees established and maintained by a national political party, which are not the authorized political committee of any candidate" (see 2 U.S.C. §441a(a)(1)(B)). Since complainant asserts that you are not a "national political party" the amount of the aforementioned violation may be higher. Further, the CCP's unpaid debts for services rendered by APP's Advertising Agency may constitute a violation of §441a(f) by the CCP for knowingly accepting contributions in excess of the individual contribution limitations. In addition, the complaint asserts that loans totaling \$51,000 from the Washington Watch to Mr. McCarthy may in fact have been channelled from Mr. Poddar through the Watch to Mr. McCarthy and subsequently given to the CCP. If this allegation is verified during the course of an investigation of this matter, the Commission may have reason to believe the CCP committed an additional violation of 2 U.S.C. §441a(f) in connection with its acceptance of these monies.

Under the Act, you have the opportunity to demonstrate that no action should be taken against the Committee for a Constitutional Presidency. In order that this matter may be promptly resolved, the Commission requests that you provide any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in

- 3 -

writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Eugene McCarthy
c/o Committee for a Constitutional
Presidency
1420 N Street, N.W.
Washington, D.C. 20005

Re: MUR 485

Dear Mr. McCarthy:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that you have committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that you have made a possible violation of 2 U.S.C. §441b(a) in connection with your knowing receipt of corporate contributions in violation of the corporate contribution limitations.

Section §441b(a) of Title 2 of the United States Code prohibits a candidate from knowingly accepting corporate contributions. Specifically, the Commission has determined that your receipt of loans totaling \$51,000 from the Washington Watch may constitute a violation of this section. Further, the complaint asserts that these loans may in fact have been made by Mr. Poddar through the Washington Watch. If this allegation is verified by our investigation into this matter, the Commission may have reason to believe that you have violated 2 U.S.C. §441a(f) in connection with your knowing acceptance of these monies in excess of individual campaign contribution limitations.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. In order that this matter may be promptly resolved, the Commission requests



that you provide any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint charging that you have committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that you have committed a possible violation of 2 U.S.C. §441a(a)(1)(B). This section prohibits an individual from making a contribution in excess of \$20,000 to a political committee of a national party.

Specifically, the Commission has determined that the \$27,200 in contributions and loans made by yourself to the Committee for a Constitutional Presidency during 1976 may be a violation of this section.

In addition, the complaint alleges that some \$51,000 in unpaid loans purportedly made by the Washington Watch to the Committee for a Constitutional Presidency were, in fact, made by you. This raises the possibility of a violation of 2 U.S.C. §441f which prohibits a person from making a contribution in the name of another.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. In order that the matter may be promptly resolved, the Commission requests that your response be made within ten (10) days of your receipt of this letter.



- 2 -

Statements should be submitted under oath. If you intend to be represented by counsel, please have such counsel so notify us in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
APP's Advertising Agency
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that APP's Advertising Agency has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that APP's Advertising Agency has made a possible violation of 2 U.S.C. §441a(a)(1)(A) in connection with its services rendered for the Committee for a Constitutional Presidency that have not yet been paid for by the Committee.

Section 441a(a)(1)(A) of Title 2 of the United States Code prohibits any person or group from making contributions in excess of \$1,000 to any candidate or his committee with respect to any election for Federal office. Further, §§100.4 (a)(1) and (a)(1)(iii) of the Commission's regulations define contributions as "... advertising, services ... or other in-kind contributions provided without charge ... or at a charge which is below the usual and normal charge for the items." Specifically, the Commission has determined that the services rendered by APP's Advertising Agency that have not yet been paid for by the Committee may constitute contributions made by the Agency in excess of the \$1,000 individual contribution limitations.

Under the Act, you have the opportunity to demonstrate that no action should be taken against APP's Advertising Agency. In order that this matter may be promptly resolved, the Commission requests that you provide any information you deem relevant to this inquiry within ten (10) days of



receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of my office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar
c/o The Washington Watch
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint charging that the Washington Watch has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Washington Watch has committed a possible violation of 2 U.S.C. §441b(a). This section prohibits any corporation from making a contribution or expenditure in connection with any Federal election. For purposes of this section, the term "contributions or expenditures" includes not only a payment or loan, but services or anything of value.

Specifically, the Commission has determined that the loans made by the Washington Watch in the amount of \$51,000 and its contributions of services, in the form of articles written on behalf of the campaign, to the Committee for a Constitutional Presidency are possible violations of this section.

It should be noted, however, that §114.10 of the Commission's regulations allows a corporation to extend credit to a candidate or political committee "provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extension of credit to nonpolitical debtors" of similar risk.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit



any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. In order that the matter may be promptly resolved, the Commission requests that your response be made within ten (10) days of your receipt of this letter. Statements should be submitted under oath.

If you intend to be represented by counsel, please have such counsel so notify us in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Shrikumar Poddar,
President
Educational Subscription
Service
3308 South Cedar Street
Lansing, Michigan 48910

Re: MUR 485

Dear Mr. Poddar:

This letter is to notify you that the Federal Election Commission has received a complaint alleging that the Educational Subscription Service has committed certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint is enclosed. Having reviewed the allegations set forth therein, the Commission has found reason to believe that the Educational Subscription Service has committed a possible violation of 2 U.S.C. §441b(a) in connection with its services rendered for the Committee for a Constitutional Presidency which have not yet been paid for by the Committee.

Section 441b(a) of Title 2 of the United States Code prohibits any corporation from making a contribution or expenditure in connection with any Federal election. For the purposes of this section, the term "contribution or expenditures" includes not only a payment or loan, but also services or anything of value.

Specifically, the Commission has determined that the services rendered by the Educational Subscription Service that have not yet been paid for by the Committee may constitute corporate contributions in violation of this section.

It should be noted, however, that §114.10 of the Commission's regulations allows a corporation to extend credit to a candidate or political committee "provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extension of



credit to nonpolitical debtors" of similar risk.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. In order that this matter may be promptly resolved, the Commission requests that you submit any information you deem relevant to this inquiry within ten (10) days of receipt of this letter.

Your response should be submitted under oath. If you intend to be represented by counsel in this matter, please notify the Commission in writing.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you authorize the Commission in writing to make the investigation public. If you have any questions concerning this matter, please contact David Spiegel or Elena King of this office at (202)523-4529.

Sincerely yours,

William C. Oldaker
General Counsel



MUR 455(77)

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 22, 1977

Mr. Bruce L. Brown
725 Westmoreland
Lansing, Michigan 48915

Dear Mr. Brown:

This is to acknowledge receipt of your complaint of December 17, 1977, alleging violations of the Federal Election Campaign Laws. A staff member has been assigned to analyze your allegations and a recommendation to the Federal Election Commission as to how this matter should be handled will be made shortly. You will be notified as soon as the Commission determines what action should be taken. For your information, we have attached a brief description of the Commission's preliminary procedures for the handling of complaints.

Sincerely yours,

A handwritten signature in cursive script, which appears to read "William C. Oldaker", is written over the typed name.

William C. Oldaker
General Counsel



ACC
2300
FEDERAL ELECTION COMMISSION

'77 DEC 20 AM 11:16

A CITIZEN COMPLAINT

TO:

FEDERAL ELECTION COMMISSION
1325 K STREET NW
WASHINGTON DC 20463

AGAINST:

EUGENE McCARTHY, CANDIDATE FOR PRESIDENT OF THE UNITED STATES
IN THE YEAR 1976

McCARTHY '76, E. McCARTHY'S PRINCIPLE CAMPAIGN COMMITTEE
COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY, A SINGLE CANDIDATE
COMMITTEE FOR E. McCARTHY

AND

SHRIKUMAR PODDAR, A CITIZEN OF INDIA, WHO RESIDES AT 2601
COCHISE LANE, OKEMOS MICHIGAN 48864

EDUCATIONAL SUBSCRIPTION SERVICE, A MICHIGAN CORPORATION OWNED
BY SHRIKUMAR PODDAR, LOCATED AT 3308 SOUTH CEDAR STREET, LANSING
MICHIGAN 48910

APP'S ADVERTISING AGENCY, AN UNREGISTERED ASSUMED NAME OF
EDUCATIONAL SUBSCRIPTION SERVICE, LOCATED AT 3308 SOUTH CEDAR
STREET, LANSING MICHIGAN 48910

WASHINGTON WATCH, A MICHIGAN NON-PROFIT CORPORATION, LOCATED AT
3308 SOUTH CEDAR STREET, LANSING MICHIGAN 48910, SHRIKUMAR
PODDAR, PRESIDENT

FOR:

VIOLATION OF THE RULES AND REGULATIONS OF THE FEDERAL ELECTION
COMMISSION ADOPTED TO ENFORCE AND IMPLEMENT THE PROVISIONS OF
THE FEDERAL ELECTION CAMPAIGN ACT OF 1971, AS AMENDED IN 1974
AND 1976.

SUBMITTED BY:

BRUCE L. BROWN, A CITIZEN OF THE UNITED STATES, WHO RESIDES AT
725 WESTMORELAND, LANSING MICHIGAN 48915

DECEMBER 17, 1977

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	DOCUMENTS: One letter from Mary Meehan Four pages from FEC reports
#6-7A	CAMPAIGN VIOLATION #2 - LAUNDERING ILLEGAL CAMPAIGN CONTRIBUTIONS
	DOCUMENTS: One note signed by Eugene McCarthy One public letter to confirm signature <u>Washington Watch</u> Annual Report for 1976 One page of FEC report containing loans Five pages from <u>Washington Watch</u> 1976 bookkeeping journals
#7-8	CAMPAIGN VIOLATION #3 - AN UNREPORTED CONTRIBUTION: THE PRINTING AND CIRCULATION OF CAMPAIGN MATERIALS
	DOCUMENTS: <u>Washington Watch</u> memo dated June 22, 1976 Two pages from FEC reports <u>Washington Watch</u> promotional letter <u>Washington Watch</u> McCarthy interview Unidentified McCarthy re-prints leaflet WASHINGTON WATCH newsletters dated May 14, August 13, September 3, October 8 and October 29 of 1976
#9-10	CAMPAIGN VIOLATION #4 - ILLEGAL CORPORATE CONTRIBUTIONS
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#11	NOTARIZED STATEMENT FROM COMPLAINANT

(All references to legal quotations are from the Rules and Regulations of the Federal Election Commission as printed in the Federal Register Vol. 41, No. 166)

CAMPAIGN VIOLATION #1

CASH CONTRIBUTIONS FROM AN INDIVIDUAL IN EXCESS OF \$1,000

In the campaign reports filed at the Federal Election Commission by the Committee For A Constitutional Presidency (CCP) and McCarthy '76, the McCarthy campaign has itself reported cash contributions from Shrikumar Poddar of \$21,200 during the course of the campaign. This sum exceeds the maximum limit of \$1,000 that an individual is allowed to contribute to a candidate for Federal office.

110.1(a)(1) No person shall make contributions to any candidate, his or her authorized political committees or agents with respect to any election to Federal office which in the aggregate exceed \$1,000.

The McCarthy committees argue that Poddar's contribution is not a contribution, but an "unsecured loan." The Rules and Regulations of the FEC clearly define a loan as a contribution.

100.4(a) "Contribution" means-
(1) A gift, subscription, LOAN, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office:

The "unsecured loans" of \$21,200 by Poddar to the McCarthy campaign is a violation of the Federal election laws. A loan is further defined in the Rules and Regulations in such a way that unsecured loans are not even loans in the technical sense.

100.4(a)(1)(i) The term "loan" includes a guarantee, endorsement, and any other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser as well as with a political committee, candidate, or other primary obligor. A loan is a contribution to the extent that the obligation remains outstanding.

Because the loans were "unsecured," that is, there was no "surety, guarantor or endorser" to accept the risk of nonpayment if the candidate or his committees default, Poddar's "loans" are simple cash contributions to the McCarthy campaign. I contend that these kind of "loans" are frequently repaid in political favors by politicians and is the kind of influence buying that the FEC is intended to curb.

A letter from Mary Meehan, Treasurer of CCP, and dated November 16, 1976 states that CCP "is the equivalent of a political party's national committee. As such," Meehan continues, "it contributed to presidential candidate Eugene J. McCarthy, to vice presidential candidates, and to candidates for presidential elector."

110.8(f)(1) Expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States.

The intent of this section can certainly be applied to members of the Electoral College nominated by CCP. The CCP then contributed to no other candidate than Eugene McCarthy and is a "single candidate committee" not a "party committee."

Meehan further states: "The Committee for a Constitutional Presidency is authorized... to receive a contribution of up to \$20,000 from a single individual."

110.1(b)(1) No person shall make contributions to the political committees established and maintained by a national political party, which, in the aggregate, exceed \$20,000 in any calendar year.

110.1(b)(3) THE RECIPIENT COMMITTEE SHALL NOT BE AN AUTHORIZED COMMITTEE OF ANY CANDIDATE.

The CCP is not the national committee of a political party, but is an authorized committee of Eugene McCarthy. The CCP solicited and spent money solely for Eugene McCarthy, and holds no nominating convention or primaries as are required for political parties.

Eugene McCarthy voluntarily chose to divorce himself from political parties - the duties, regulations and safeguards to assure democracy and citizen input into the nomination processes he also discarded - and now argues that he, his secretary and one wealthy financier should enjoy the benefits of political parties.

Receipts, Contributions, Ticket Purchases, Loans,
Rebates, and Transfers for Line
Numbers 15, 16, 17 and/or 18 of FEC Form 3
(See instructions on back)

Page 1 of 1 for
LINE NUMBER 15
(Use separate schedule(s) for each
numbered line).

Name of Candidate or Committee in full

McCarthy '76 - Michigan (Lansing Area)

Full Name, mailing address and ZIP code

Patricia P. Weymouth
4544 Van Atta Rd., Okemos, MI 48864

Date (month,
day, year)

4/19/76

Amount of each
receipt this period

\$100.00

Principal place of business

Michigan State Univ.
East Lansing, MI

Occupation

Professor

8/6/76

\$30.00

☐ Check if Contributor is self-employed

Aggregate Year-to-date > \$ 130.00

Full Name, mailing address and ZIP code

Judith L. Chapman
216 Jones
Lansing, MI 48912

Date (month,
day, year)

4/4/76

Amount of each
receipt this period

\$50.00

Principal place of business

500 W. Lenawee
Lansing, MI 48933

Occupation

Teacher

4/19/76

\$50.00

☐ Check if Contributor is self-employed

Aggregate Year-to-date > \$ 100.00

Full Name, mailing address and ZIP code

John J. Jackman
14800 Glastonburg
Detroit, MI 48223

Date (month,
day, year)

4/6/76

Amount of each
receipt this period

\$10.00

7/1/76

\$25.00

7/18/76

\$11.00

8/11/76

\$60.00

Principal place of business

General Motors

Occupation

Engineer

☐ Check if Contributor is self-employed

Aggregate Year-to-date > \$ 100.00

Full Name, mailing address and ZIP code

H.C. Fien
801 Glenhaven Ave.
East Lansing, MI 48823

Date (month,
day, year)

8/2/76

Amount of each
receipt this period

\$100.00

Principal place of business

YOUNG & RUBICAM

820 N. Capital, Lansing, MI

Occupation

Psychiatrist

☐ Check if Contributor is self-employed

Aggregate Year-to-date > \$ 100.00

Full Name, mailing address and ZIP code

Kumar Peddar
2601 Cochise Lane
Okemos, MI

Date (month,
day, year)

10/26/76

Amount of each
receipt this period

\$200.00

Principal place of business

E.S.S.
3308 S. Cedar
Lansing, MI 48910

Occupation

Owner of E.S.S.

☒ Check if Contributor is self-employed

Aggregate Year-to-date > \$ 200.00

Full Name, mailing address and ZIP code

Date (month,
day, year)

Amount of each
receipt this period

Principal place of business

Occupation

☐ Check if Contributor is self-employed

Aggregate Year-to-date > \$

Subtotal of receipts this page (optional)

> \$ 632.00

Total this period (last page this line number only)

> \$ 639.00

76030412889

Name of Candidate or Committee in full

Committee for a Constitutional Presidency--McCarthy '76

Full Name, mailing address and ZIP code

Miriam Davis MD
 7605 Beech Tree, Bethesda MD 20034

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

Same

Occupation

Physician

☒ Check if Contributor is self-employed

Aggregate Year-to-Date ▶ \$ 300.

-

-0-

Full Name, mailing address and ZIP code

Shrikumar Poddar
 3308 S. Cedar #11
 Lansing MI 48910

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

2601 Cochise Ln
 Okemos MI 48864

Occupation

Direct Mailer

☐ Check if Contributor is self-employed

Aggregate Year-to-date ▶ \$ 1,000.

3/1/76

\$1,000.00

Full Name, mailing address and ZIP code

Phyllis J. Paine
 3266 S. 104th Ave.
 Omaha NE 68124

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

Same

Occupation

Housewife

☒ Check if Contributor is self-employed

Aggregate Year-to-date ▶ \$ 110.

3/1/76

60.00

Full Name, mailing address and ZIP code

Robert T. Hatt
 Rt. 1 Box 75
 Littleton NH 03561

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

Same

Occupation

Retired

☐ Check if Contributor is self-employed

Aggregate Year-to-date ▶ \$ 200.

3/12/76

200.00

Full Name, mailing address and ZIP code

Mrs. Helen Christianelli
 165 Charlotte Place
 Englewood Cliffs NJ 07632

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

Same

Occupation

Housewife

☒ Check if Contributor is self-employed

Aggregate Year-to-date ▶ \$ 100.

-

-0-

Full Name, mailing address and ZIP code

Warren D. Manshel
 c/o Coleman & Co.
 120 Broadway, New York NY 10005

Date (month,
 day, year)

Amount of each
 receipt this period

Principal place of business

Same

Occupation

Broker

☐ Check if Contributor is self-employed

Aggregate Year-to-date ▶ \$ 500.

-

-0-

Subtotal of receipts this page (optional) ▶

\$

Total this period (last page this line number only) ▶

\$

Itemized Receipts,
Contributions, Ticket Purchases, Loans,
Rebates, and Transfers for Line
Numbers 15, 16, 17 and/or 18 of FEC Form 3
(see Instructions on back)

Page 1 of 1 for
LINE NUMBER 16(a)
(Use separate schedules for each
numbered line).

Name of Candidate or Committee in full

Committee for a Constitutional Presidency

Full Name, mailing address and ZIP code	UNSECURED LOAN	Date (month, day, year)	Amount of each receipt this period
Shrikumar Poddar 2601 Cochise Lane Okemos, MI 48864		9/2/76	15,000.
Principal place of business Educational Subscription Soc. 3308 S. Cedar, #11 Lansing, MI 48910	Occupation <u>Publisher + Direct Mailer</u> <input checked="" type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 16,000.*</u>		
Eugene J. McCarthy 3053 Q St., NW Washington, DC 20007	UNSECURED LOAN	9/6/76	10,000.
Principal place of business McCarthy '76 1440 N St., NW Washington, DC 20005	Occupation <u>Writer</u> <input checked="" type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 61,250</u>		
George L. Shields 409 1/2 Sixth St., SE Washington, DC 20003	UNSECURED LOAN	9/7/76	100.
Principal place of business	Occupation <input type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 200.</u>		
Shrikumar Poddar 2601 Cochise Lane Okemos, MI 48864	UNSECURED LOAN	9/15/76	5000.
Principal place of business Educational Subscription Soc. 3308 S. Cedar, #11 Lansing, MI 48910	Occupation <u>Publisher + Direct Mailer</u> <input type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 21,000.*</u>		
Eugene J. McCarthy 3053 Q St., NW Washington, DC 20007	UNSECURED LOAN	9/15/76	6000.
Principal place of business McCarthy '76 1440 N St., NW Washington, DC 20005	Occupation <u>Writer</u> <input type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 67,250</u>		
John + Susan Callahan 6234 SW Vermont Portland, OR 97219	LOAN-IN-KIND (Travel, Phone, Postage, Supplies)	3-76 thru 9-76	6091.95
Principal place of business Lewis + Clark College Portland, OR	Occupation <u>Teachers</u> <input type="checkbox"/> Check if Contributor is self-employed Aggregate Year-to-date <u>\$ 1,166.92</u>		
Subtotal of receipts this page (optional)			<u>\$ 37,191.95</u>
Total this period (last page this line number only)			<u>\$ 37,191.95</u>

* NOTE: \$1,000 was contributed prior to CCP when it was principal.

Debts and Obligations for
 Line Numbers 26 and/or 27 of FEC Form 3

Page 5 of 6 for

LINE NUMBER 27

(Use separate schedule(s) for each numbered line)

(see instructions on back)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency				
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Charles Tandy 102 Morris Drive Laurel, MD	Date (month, day, year) 8-24-76	\$ 100.	\$ -0-	\$ 100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOANS Shrikumar Poddar 2601 Cockise Lane Okemos, MI 48864	Date (month, day, year) 9-2-76 + 9-15-76	\$ 20,000.	\$ -0-	\$ 20,000.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND John + Susan Callahan 0234 SW Vermont Portland, OR 97219	Date (month, day, year) 3-76 thru 9-76	\$ 1,091.92	\$ Converted to contribution by letter of 9-6-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN John J. Tashman 14890 Glastonbury Detroit, MI 48223	Date (month, day, year) 10-8-76	\$ 500.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Lester + Mary Jane Moore 4848 South Alameda Corpus Christi, TX 78412	Date (month, day, year) 10-15-76	\$ 1,000.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Elvera A. Johnson 2858 N. Mildred Ave. Chicago, IL 60657	Date (month, day, year) 10-22-76	\$ 100.	\$ -0-	\$ 100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Albert + Sarah Driscoll 689 Fairmount Ave. St. Paul, MN 55105	Date (month, day, year) 10-29-76	\$ 500.	\$ 100.	\$ 400.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND Garnett Groh 130 Marie Ave. S. Connellsville, PA 15425	Date (month, day, year) 11-1-76	\$ 14,000.	\$ -0-	\$ 14,000.
Subtotals this period this page (optional)		\$	\$	\$
Total this period (last page this line number only)		\$	\$	\$
Carry outstanding balance only, to appropriate line of summary.				

CAMPAIGN VIOLATION #2

LAUNDERING ILLEGAL CAMPAIGN CONTRIBUTIONS

Funds contributed to the Committee For A Constitutional Presidency by Shrikumar Poddar were sent through the books of the WASHINGTON WATCH, a Michigan non-profit corporation controlled by Poddar, and were reported as personal loans to CCP by Eugene McCarthy himself. I maintain that this kind of transfer to candidate McCarthy personally is an illegal contribution from Poddar.

100.4(a) "Contribution" means-
(iii)(B)(4) A transfer of funds to a political committee OR CANDIDATE from another political committee, other POLITICAL ORGANIZATION, or other similar source whether or not such organization is a political committee. The transfer occurs whenever the treasurer or other designated agent of the transferee committee or THE CANDIDATE obtains control over the funds.

The enclosed documents prove that WASHINGTON WATCH did loan Eugene McCarthy an aggregate sum of \$51,000 during the period that Eugene McCarthy reported personal loans to his own campaign of the same amounts. The attached documents also prove that Shrikumar Poddar and his wife Mayurika are the sole officers and trustees of the WASHINGTON WATCH.

110.4 Prohibited Contributions
(b)(1) No person shall-
(i) Make a contribution in the name of another;
(ii) Knowingly permit his or her name to be used to effect that contribution;
(iii) Knowingly accept a contribution made by one person in the name of another.
(2) Examples... (ii) Giving money or anything of value and attributing as the source of money or the thing

of value another person when in fact the contributor is the source.

I contend that after the Supreme Court ruled that candidates could contribute almost unlimited amounts to their own campaigns, Eugene McCarthy and Shrikumar Poddar conspired to disguise illegal contributions by Poddar, and did in fact violate the above citations. I maintain that Shrikumar Poddar made an illegal contribution to Eugene McCarthy through the name WASHINGTON WATCH, and that Eugene McCarthy allowed his name to be used to effect that illegal contribution.

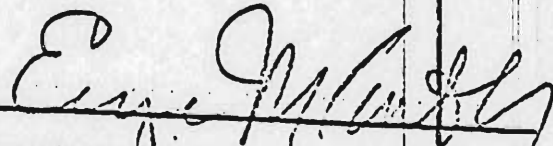
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan,
43910 has loaned the undersigned, Senator Eugene McCarthy,
the sum of \$51,000.00 (Fifty One Thousand Dollars Only)
plus interest at 7 1/2 percent per annum and payable in one
year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:



Senator Eugene McCarthy

Date:

10/6/76

Eugene J. McCarthy

1440 N Street, Northwest
Washington, D.C. 20005

Telephone (202) 737-4900

RECEIVED
FEB 22 1977

'77 FEB 22 AM 11:00

February 21, 1977

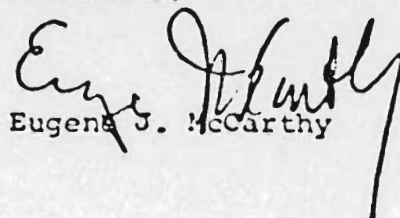
The Honorable
Vernon W. Thomson, Chairman
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

Dear Mr. Thomson:

This is to notify you that the new Chair-
woman of my principal campaign committee,
McCarthy '76, effective February 14, 1977,
is Judith Barry Smith.

The new Treasurer of McCarthy '76, effec-
tive February 14, 1977, is George R. Laney.

Sincerely,


Eugene J. McCarthy

EJM/mcm

77030435073



Michigan Department of Commerce
FORM CS-2000

For Department use only

MICHIGAN ANNUAL REPORT

FILING FEE \$10.00

NON-PROFIT CORPORATIONS—1976

THIS REPORT SHALL BE FILED BY ALL NON-PROFIT CORPORATIONS ON OR BEFORE OCTOBER 1, 1976

Please Read Carefully Instructions on Back of this Form before Executing this Report

In accordance with the provisions of Section 81, Act 327, P.A. of 1931, as amended, the above named corporation by the undersigned officer thereof, submits the following report:

1. The name of the corporation is Washington Watch
(TYPE OR PRINT CORPORATE NAME EXACTLY AS IT APPEARS ON THE ENVELOPE IN WHICH THESE BLANKS WERE MAILED.)

2. (a) Location of registered office is 3308 S. Cedar Street Lansing Michigan 48210
(No.) (Street) (City) (Zip Code)

- (b) Mailing address is 3308 S. Cedar Street, Lansing Michigan 48910
(No.) (Street) (City) (Zip Code)

- (c) Name of resident agent is Shrikumar Poddar

3. (a) Date of incorporation 1-26-72 (b) Term of corporate existence (if other than perpetual) Perpetual

- (c) If foreign corporation, date admitted to do business in Michigan

- (d) The act under which incorporated or reincorporated 327
(if other than Act 327, P.A. of 1931, as amended)

4. The following are the officers and directors or trustees of the corporation at time of filing this report:

NAMES OF OFFICERS

RESIDENCE ADDRESSES

	(Name)	(No.)	(Street)	(City)	(State)
President	Shrikumar Poddar	3308 S. Cedar	Lansing	Michigan	
Vice-President	Mayurika Poddar	3308 S. Cedar	Lansing	Michigan	
Secretary	Shrikumar Poddar	3308 S. Cedar	Lansing	Michigan	
Treasurer	Shrikumar Poddar	3308 S. Cedar	Lansing	Michigan	

NAMES OF ALL OF THE DIRECTORS OR TRUSTEES

RESIDENCE ADDRESSES

	(Name)	(No.)	(Street)	(City)	(State)
Director	Mrs. Shrikumar Poddar	3308 S. Cedar	Lansing	Michigan	
Director	Mrs. S. Poddar	3308 S. Cedar	Lansing	Michigan	
Director	Mrs. S. Poddar <u>Robert Diefenbach</u>	3308 S. Cedar	Lansing	Michigan	
Director					
Director					
Director					

5. The purposes of the corporation: An educational organization which seeks out truth from responsible sources and passes it on to the reader simply and objectively and to publish a newsletter which will distill the truth of the great issues and events of our time from these sources; The Major Newspapers, Journals of the World, Official documents, Congressional hearings and sources of the editor.

6. The authorized capital stock, if any, is NA shares, par value \$ N/A each.

7. The value of all real and personal property and cash owned at time of filing this report: \$ 1,500.00

8. The nature and kind of business in which the corporation has engaged during the year covered by this report:
Publishing of a newsletter

9. What, if any, distribution of funds has been made to any members during the year covered by this report:
N/A

10. A statement of the aggregate amount of any loans, advances, overdrafts and/or withdrawals and repayments thereof made to or by officers, directors or shareholders of the corporation otherwise than in the ordinary and usual course of business of the corporation and on the ordinary and usual terms of payment and security at the time of filing

this report: \$100,000.00

11. Do you ever pay interest or dividends on capital stock or membership investment? No

SIGNED BY

Shrikumar Poddar

(Signature of President, Vice President, Chairman or Vice Chairman — See Item 6 of Instructions)

Signed this

7 day of October, 1976

For Department use only

Received OCT 11 1976

Filed: APR 11 1977

Please insert name of your corporation here
Washington Watch

Rule C

1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 26 and/or 27 of FEC Form 3

(see instructions on back)

Page 1 of 1 for

LINE NUMBER 26

(Use separate schedule(s) for each numbered line)

Sked C CCP 12/76

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Pres'cy				
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
UNSECURED LOAN				
Eugene J. McCarthy	4/1/76	3,000.	-0-	3,000.
3053 Q St	4/2/76	2,000.	-0-	2,000.
NW DC 20007	5/3/76	1,050.	-0-	1,050.
	6/16/76	5,000.	-0-	5,000.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Ditto	7/1/76	5,000.	-0-	5,000.
	7/13/76	5,000.	-0-	5,000.
	8/2/76	10,000.	-0-	10,000.
	8/17/76	20,000.	-0-	20,000.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Ditto	9/6/76	10,000.	-0-	10,000.
	9/15/76	5,000.	-0-	5,000.
	10/25/76	8,000.	-0-	8,000.
	11/11/76	1,000.	-0-	1,000.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Elvira A. Johnson				
2658 N. Mildred Ave				
Chicago IL 60657				
UNSECURED LOAN	10/22/76	100.	-0-	100.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Albert Driscoll				
689 Fairmont Ave				
St Paul MN 55105				
UNSECURED LOAN	10/29/76	500.	-0-	500.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Shrikumar Poddar				
2501 Cochise				
Okemos MI 48864				
UNSECURED LOAN	9/15/76	6,000.	-0-	6,000.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
George L. Shields				
409 1/2 6th St SE				
Wash DC 20003				
UNSECURED LOAN	8/18/76	100.	-0-	100.
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Charles Tandy				
102 Morris Drive				
Laurel MD 20810				
UNSECURED LOAN	8/24/76	100.	-0-	100.
Subtotals this period this page (optional)		\$	\$	\$81,850.
Total this period (last page this line number only)		\$	\$	\$
Carry outstanding balance only, to appropriate line of summary				

WASHINGTON WATER
CASH RECEIPTS JOURNAL
SEPTEMBER 1976

COLUMN WRITER

DATE	SOURCE	SP 103 CASH IN PAID	CR 121 ACCOUNTS RECEIVABLE	CREDIT OTHER ACCOUNT	DEBIT
9/1	MAIL	45440	45440		
9/3	M. PODDAR	10000.00		241	10000.00
9/9	MAIL	<u>127531</u>	<u>127531</u>		
9/9	ESS	16821	16821		
9/14	MAIL	93000	93000		
9/15	S. PODDAR	6000.00		241	6000.00
9/16	MAIL	4860	4860		
9/18	MAIL	3600	3600		
9/18	MAIL	3700	3700		
9/18	INV # 0229	1500	1500		
9/18	MAIL	6000	6000		
9/18	MAIL	1500	1500		
9/18	MAIL	45000	45000		
9/21	MAIL	93200	93200		
9/21	MAIL	4500	4500		
9/23	MAIL # 1104	33000	33000		
9/23	MAIL # 1105	121080	121080		
9/30	MAIL	27750	27750		
	TOTAL	2229646	629646		1600000
Adj. —		<84030>	<84030>		
		2145616	545616		

WASHINGTON WATCH
CASH RECEIPTS JOURNAL
JULY 1976

Date	Source	Dep. #	Dr. 103 Cash in Bank	Cr. 121 Accounts Receivable	Account	CREDIT other Amount
1						
2	71 Dep 6-57		28880	28880		
3	71 Dep 7-58		46700	45200		
4	Inu 1412.			1500		
5	78 Deposit 021		10000000		677	10000000
6	713 Deposit 7-59		15246	15246		
7	719 Deposit 7-60		63340	63340		
8	719 Deposit 7-61 -		34550	34550		
9	Computer AC Rec					
10	720 Deposit 7-62		2055	2055		
11	720 Deposit 7-63		37750	29250		
12	Comp AC Rec.			8500		
13	722 Deposit 7-64		7500	7500		
14	726 Deposit 7-65		7440	3240		
15	Inu # 1433			2500	352	1700
16	726 Deposit 7-66		1500	1500		
17	729 Deposit 7-67		800000		241	800000
18	730 Deposit 7-68					
19	Computer Ac Rec		13250	13250		
20	730 Deposit 7-69		24150	24150		
21	730 Deposit 7-70		40000		300	40000
22	730 Deposit 7-71		900	900		
23						
24						
25						
26			1112326	231561		
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
JUNE 1976

Date	Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
	Brought fwd		6596			
6-25	Deposit 6-56		31055	24459		
6-21	Deposit					
6-24	Denise Burgess	1597	15746		15309	15309
6-24	Dan Hinds	1598	- 5827		21513	21513
6-24	Charles Haynes	1599	- 13094		1367	
6-24	Joseph Lee Watkins	1600	- 15773		2619	
6-24	Eliseo Zamora	1601	- 18317		2544	
6-24	Dan Hinds	1602	- 20453		2136	
6-24	Denise Burgess	1603	- 21758		1305	
6-17	Deposit			500000		
6-17	Eugene McCarthy				500000	

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
SEPT 1976

Date	Payee	Check #	Balance 19241.38	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
9 17	Post (Bus. Reply Mail)	1661	18991.38		250.00	
9 17	Post (Act Fee ")	1662	18966.38		25.00	
9 21	Post	1663	18626.38		340.00	
9 16	Deposit 9-87			48.60		
9 16	9-88			36.00		
9 16	" 9-89			39.00		
9 16	" 9-90			15.00		
9 16	" 9-91			60.00		
9 16	" 9-92			15.00		
9 16	" 9-93		19289.98	450.00		
8 27	Transfer E. McCarthy		9283.98		-1000.60	
9 01	" "		722.02		1000.60	
9 16	" "		6729.02		600.60	
9 16	Correction Line #20 DEPOSIT		5094.32	1633.70		
9 21	" 9-94			932.00		
9 21	" "			4.50		
9 23	" 9-96			33.00		
9 25	" 9-97			1210.50		
9 30	" 9-98			299.50		
10 4	" 9-99		4511.48	829.00		
9 21	POST 2ND CLASS	1663			340.00	
9 27	THOMAS MECHLING	1664			901.30	
		VOID 1665				
9 27	JOY SLEE	1666			57.57	
9 27	JOHN BOYLES	1668			800.00	
		VOID 1668				
9 30	MICH BELL	1669			115.20	
9 30	DAN HINDS	1670	22470.4		50.17	50.67
10 6	M. PODDAR - INTEREST	1671			1848.83	
10 7	STATE of MICH FILING FEE	1672	387.61		10.00	
					19680.5	422.13

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
AUGUST 1976

OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Brought Fwd		135136			
8 2	Deposit 7-72		1135136	1000000		
8 2	Eugene J McCarthy	1640	135136		1000000	
8 3	Deposit 7-73		135436	200		
8 4	Deposit 7-74		157936	22500		
8 4	Deposit 7-75		186186	28250		
8 5	Dan Hinds	1641	164613	21573	21573	21573
8 5	Denise Burgess	1642	150310	14303	14303	14303
8 9	Tom Meehling	1643	65310		85000	
8 9	Deposit 8-76		122260	56950		
8 9	John Boyles	1644	42260		80000	
8 10	Deposit 8-77		44870	2610		
8 10	Deposit 8-78		105070	60200		
8 11	Deposit 8-79		106470	1400		
8 19	Deposit 8-80		275000	168530		
8 19	D. Burgess (payroll)	1645	262205		12795	12795
8 19	D. Hinds	1646	240632		21573	21573
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81685		
8 25	Zip Code Pub.	1648	24383		84564	
8 25	Deletion WW subs	1649	16883		7500	
8 26	Post.	1650	338617		355500	
8 27	Deposit		161383	500000		
8 30	Post Due Act.	1651	151383		10000	
9 1	Deposit 9-83		197823	46440	42833	700
9 2	D. Hinds	1652	176250		21573	21573
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		1783	
9 9	Deposit 9-82		281108	107626		
9 9	Deposit 9-84		318698	37590		
9 10	Post (2nd class)	1655	298698		200 00	
9 14	Deposit 9-85		392648	99950		
9 15	Deposit 9-86		992648	600000		
9 03	Deposit		1992648	1000000		
9 15	Tax Dep.	1656	1970768		21580	
9 15	Tax Dep.	1657	1951182		19586	
9 16	D. Hinds	1658	1929609		21573	21573
9 16	D. Hinds (mileage)	1659	1929138		471	
9 17	Post Due Act.	1660	1924138		5000	

CAMPAIGN VIOLATION #3

AN UNREPORTED CONTRIBUTION: THE PRINTING AND CIRCULATION
OF CAMPAIGN MATERIALS

Shrikumar Poddar caused to be printed and circulated articles in the WASHINGTON WATCH on and in behalf of the candidacy of Eugene McCarthy, and printed and circulated campaign materials under the name WASHINGTON WATCH. A salaried editor of WASHINGTON WATCH in 1976 is to receive compensation of \$2,000 from the CCP for articles he wrote about McCarthy in WASHINGTON WATCH, while the printing and circulation costs of the newsletter were not reported as campaign expenses.

109 INDEPENDENT EXPENDITURES

(d)(1) The financing of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his campaign committees, or their authorized agents shall be considered a contribution for the purpose of contribution limitations and reporting responsibility by the person making the expenditure but shall not be considered an expenditure by the candidate or his authorized committees unless made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any authorized agent or committee thereof.

A memo from WASHINGTON WATCH to another writer employed by the newsletter, instructs him to send copies of his work to "KUMAR" c/o the national office of the McCarthy campaign. This memo, dated June 22, 1976, provides some evidence that the McCarthy committees were cooperating with Shrikumar Poddar and WASHINGTON WATCH.

100.4(b) The term "contribution" does not include-
 (8) Any news story, commentary, or editorial of any
 broadcasting station, newspaper, magazine, or other
 periodical publication unless the facility is owned
 or controlled by any political party, political
 committee or candidate, in which case a news story
 which (1) represents a bona fide news account communi-
 cated in a publication of general circulation or on
 a licensed broadcasting facility, and (2) is part of
 a general pattern of campaign related news accounts
 which give reasonably equal coverage to all opposing
 candidates in the circulation or listening area,
 shall NOT be a contribution.

I maintain that a review of the articles published by the
 WASHINGTON WATCH about the 1976 Presidential Campaign were
 not part of a general pattern of campaign news accounts that
 gave reasonably equal coverage to all opposing candidates,
 but focused a disproportionately large amount of coverage
 on Eugene McCarthy's campaign. The cost of printing and dis-
 tributing issues which pertain solely to the McCarthy campaign,
 therefore, are unreported campaign contributions.

WASHINGTON WATCH

3308 SOUTH CEDAR, SUITE #11 • LANSING, MICHIGAN 48910 • PHONE A.C. 517 393-0250

MESSAGE

REPLY

TO

TOM MECHLING

Box 361

Larchmont, NY 10538

DATE June 22, 1976

Hello Tom,

On all future writing of WW, please send a
COPY of your work to Kumar at the following
address:

76 McCarthy Campaign
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BY

Denise Burgess

SIGNED

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Committee for a Constitutional
Amendment - McCarthy '76 (see instructions on back)

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Committee for a Constitutional Presidency -McCarthy '76

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COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 N STREET, NW

WASHINGTON, D.C. 20005

(202) 737-4900

November 16, 1976

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

RE: RAD0163RS

Dear Mr. Potter:

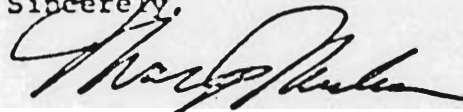
As we advised the Federal Election Commission's General Counsel, by letter of September 3, 1976, the Committee for a Constitutional Presidency is the equivalent of a political party's national committee. As such, it contributed to presidential candidate Eugene J. McCarthy, to vice presidential candidates, and to candidates for presidential elector.

I am Treasurer of the Committee for a Constitutional Presidency. (Mr. James Yeager is Treasurer of McCarthy '76, Eugene J. McCarthy's principal campaign committee.)

The Committee for a Constitutional Presidency is authorized by 2 U.S.C., Section 441a(a) (1) (B) to receive a contribution of up to \$20,000 from a single individual. The loan you questioned falls under the same authorization.

Since the loan was permitted by law, and correctly reported, we believe that it would be improper to amend our report.

Sincerely,



Mary Meehan
Treasurer

Washington Watch

South Point Plaza — Lansing, Michigan 48910

Dear Concerned Citizen:

As an individual who has actively supported Senator Eugene Mc Carthy, you may be especially interested in the enclosed issue of WASHINGTON WATCH which discussed his future.

Our special interview with the Senator indicates that he is very much worth watching as a candidate for the Presidency -- as the liberal voter's most obvious independent choice!

An important event of the '76 election has been completely ignored by the American media. The supporters of Senator McCarthy have already collected over 100,000 signatures around the country and placed his name on the ballot in five states; Ohio, Kentucky, Michigan, New Jersey, and Utah, and not a word in the media.

In the Pennsylvania primary ninety three percent of the eligible voters did not vote for Carter, yet the American press hailed this as a major victory for Carter!

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WASHINGTON WATCH covers important issues ignored by the American press. We carry no advertising, and are not beholden to the establishment.

WASHINGTON WATCH'S analysis of the new McCarthy movement, as well as our exclusive insights into important national and international issues, are not duplicated by any other newspaper, magazine or network in the nation. In this crucial election year, we feel that responsible readers want more "substance" and less "rhetoric" than they've been getting from the daily press and TV which, so far, have reported little more than the popularity contests.

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We represent a third force of independent concerned citizens who do not automatically subscribe to the party line and are not locked into any rigid ideological position.

WASHINGTON WATCH serves the kind of reader who applies thought to action. Our readers, we sincerely believe, represent a special constituency which can -- and will -- influence the outcome of the 1976 election.

PLEASE SUBSCRIBE NOW!

Sincerely,

(Shrikumar Poddar)

SHRIKUMAR PODDAR, Publisher
WASHINGTON WATCH

*P.S. Just send
back the card
enclosed. He
can bill you
later.*

House dinners.

WW: But does this have any practical effect on the President?

EJM: Well, it might help explain why so many presidents, recently, have regarded the role of Commander-in-Chief as their primary one. Presidents were choosing bombing targets when they should have been seeking negotiations. They continually sought a military solution to a struggle that was largely political in nature. Even the various 'nation-building' and 'pacification' programs were dominated by military values.

WW: Well, do you think that military values have crept in upon the domestic scene at all?

EJM: I think in rather subtle ways. Now we have non-war enterprises described as though they were wars ... described in the language of conflict.

WW: What would be examples of that?

EJM: Well, we've already seen the "war on poverty", the "war on ignorance", and the "war on cancer." President Ford's own war is the war on inflation. He's described that as "public enemy number one." I'm just waiting for him to call J. Edgar Hoover back into service to fight it. I think this kind of language shows that we still think of the method of war as the only sure way to reach national goals ... as though we can gear up *only* for war. And this is especially surprising because we've all seen in recent years that resorting to wars as a way to reach national goals has not proved very effective.

WW: If even the *language* of the Presidency reflects these military values, what other Presidential roles would you then emphasize?

EJM: There are many others outlined in the Constitution. Recent presidents should have paid more attention to the appointment power, and to their constitutional responsibility to 'take care that the laws be faithfully executed.' Recent presidents have, at times, neglected their primary responsibility to the Constitution itself. President Ford expressed doubts about the constitutionality of the new campaign law last fall; yet he signed it despite these doubts. In contrast, our early presidents took most seriously their role as guardian of the Constitution — always remembering their oath to 'preserve, protect and defend the Constitution of the United States.'

WW: It's been said that America really hasn't had a legitimate leader since 1963

when President Kennedy was killed. Do you feel this way, and do you feel that if you were a candidate, and *won*, that you might be able to recreate a sense of legitimacy in the American Presidency?

EJM: I think it would be better if we could come at presidential selection more directly ... making it something that occurs more directly between the people and the Presidency. There are the facts, of course, of the last fifteen years or so that get in the way: assassination, the Vice-Presidential successions and Constitutional successions, rather than an open and free election; and also the fact that people feel the two parties now come between them and their choice of a Presi-

The Burrow & The Vodka

"We have reached, I fear, a state of apprehension very near that of the animal in Franz Kafka's story, "The Burrow" ... no matter how secure it was, or how well-secured its hoard of food, it nonetheless could hear a strange sound ... and felt the need for more security.

• • •

Ultimate defense against nuclear weapons will not be trade in gold, vodka, caviar, wheat, soybeans, chemical factories or artificial hearts — but understanding among nations, accommodation, elimination of the conditions of ignorance and fear which cause distrust and hatred.

What is now proposed under the name of detente is a very modest beginning."

Eugene McCarthy on Detente
Testimony before Senate Foreign
Relations Committee

dent. For the country to experience the election of an *independent* President might restore the sense of the representative character of the office which I think has been, if not lost altogether, very seriously eroded.

WW: You're saying that presidents tend to reflect their party too much ... tend to think as a Republican or Democrat too much ... rather than about the welfare of the nation as a whole ... not seeing themselves as *independent* leaders.

EJM: It's part of two ideas we've allowed to develop in the Federal Government and perhaps in state government. One, the idea of party loyalty. That flows both

ways. A Democratic Congress *trying* to protect or defend a Democratic President — A Democratic President trying to defend Democrats in Congress and the Republicans doing the same thing. I can think of two examples of that. One is the Democratic support of the War as long as it was carried out by Johnson ... and turning against it later, six months later, when it was essentially the same kind of war, and being carried out in about the same way it would have been if Johnson had been re-elected.

The second example is Republican loyalty to Nixon until the tapes made it impossible for them to support him in the Presidency ... and the Democrats' attempts to come out against him in large numbers. You have to ask why were the Republicans loyal to him and the Democrats critical of him? The only factor you can give any weight to is party loyalty.

WW: Is there a good side to party loyalty?

EJM: Not very often, and there's another negative aspect I want to mention: the idea of "the loyal opposition." We've allowed this idea to come into congressional government. But there's really no place for it in a congressional government where everyone's elected to represent a district and doesn't represent a party. The loyal opposition idea is used to make excuses. Gerald Ford, when he was being considered for the Vice Presidency, said, "Why, some of those votes I cast because I was the leader of the loyal opposition." And you see it in some other votes: people say, we'll be irresponsible on the budget, we'll raise it because that will embarrass the Republican President, we won't have to answer for it, he'll veto it and we can go after him for having vetoed the social security bill, whatever it is, or the tax bill. It's pretty clear on the record that this makes for irresponsibility.

WW: Well, at the same time that all the politicians go on clinging to this party loyalty, we see a lessening of allegiance by citizens to their party — Republicans are down to 20% — and we see potential new parties developing. If there are four or more parties to vote for on November 9, 1976, what will happen if there's no President the next morning ... would there be a massive psychosis for America?

EJM: I don't see it as being so serious. Actually what goes on in the two conventions is not so different from what goes on in the electoral college. You already let the Republicans and Democrats operate a kind of electoral college and then they give you a choice of what comes out of it.



Washington Watch™ a private newsletter

'76 ELECTION SPECIAL — INTERVIEW WITH EUGENE McCARTHY

WW: Senator McCarthy, in a poem you wrote after 1968, called "Grant Park," you said:

There are no questions in this park said
the captain of the guard.

There are only true facts in this park
said the captain of the guard.

Have things changed since '68 at all?
Has the captain of the guard changed?
Has our view of authority changed?
Have we all changed?

EJM: I don't know that the captain of the guard has changed very much. Congress finally got around to casting some votes against the war and its funding but I'm not convinced that militarism has been stamped out. Just consider our threat of a military response toward Cuba by Kissinger just recently, or Henry Jackson's call to consider sending the Marines into Lebanon. Jackson sounds as though he thinks he's President Eisenhower already. Or look at Ford's action with *Mayaguez*: losing 40 or so men by using a military response, in order to *save* 40 others. Ford should have tried to get those seamen out by negotiation. It was the same old military response, and Congress applauded it.

WW: But do you think that people in Congress are less inclined, after Vietnam, to aggressive actions?

EJM: Well, I don't know. I spoke to some Yoga people here in Washington a while ago. They've started a Yoga school and were very encouraged because a Congressman had signed up. I told them I wasn't quite sure what the implications of his signing up were but that I did know of a karate school in Washington that enrolls a number of Congressmen . . .

WW: And Administration too I think . . .

EJM: That's right. And they don't go there secretly. They have their pictures taken as they do their little karate

routine. Our total posture is like the karate people: we're the most overdefended people in the world. Even now, little or no progress has been made toward disarmament. We have agreements not to deploy nuclear bombs in outer space, in Antarctica, or on the ocean floor. It would be far better to have agreements not to explode them in places where people live: like Seattle and Vladivostok, Chicago, Leningrad, Philadelphia and Kiev.

WW: And what of the captain of the guard himself?

EJM: When the military is all dressed up with no place to go, when it is bristling with weapons so new they have not yet even been tested, there is bound to be pressure for intervention abroad. Yet the greatest pressure for intervention in Vietnam didn't come from military leaders — many of them repeatedly warned against a land war in Asia — but from civilian leaders who lacked skill in diplomacy, and relied on military solutions as a crutch.

WW: You've just been talking about a limitation of power and how military power can't solve all our problems. You've also talked about the limits of power, military and other, for the Presidency itself . . . a new way of looking at the Presidency, really. But do you feel that President Ford has limited his presidency . . . has eliminated any regal trappings?

EJM: Actually, he's quite willing to be much more regal than he's *able* to be. Don't think Ford doesn't have the same ideas about using presidential power that Nixon had — he just doesn't have the same freedom to use it right now. The pardon of Nixon was a pretty *imperial act*. There was really no time in the past when Ford was interested in *curbing* presidential power. But his present problems are

really because Congress has said "you just don't have any money" for this or that, and they just can't get around that. But I don't see Ford as one who would demonstrate my view of the Presidency . . . if the power were given to him to be other than what he is.

WW: Of course your critique goes back to Nixon and Johnson too.

EJM: Well, really back even to Eisenhower when the idea began to develop that somehow the office belonged to the man himself. Recent presidents have been distracted by the trappings of the office, have overpersonalized it, have overemphasized its military role. I recall that there was a summary made in 1974 of the presidential office. It revealed a presidential staff of 500 with about 100 domestic servants, gardeners and maintenance workers at the White House. It had a transportation fleet of 32 cars, 16 jets and 16 helicopters. It's almost like a little nation itself. We've come a long way from the time when presidents ran the government with just a few staff members.

WW: But don't you need a lot of people to run a modern bureaucracy?

EJM: Well, I think our country isn't as well governed now as it was in the early days of the Republic. The early presidents didn't have the distractions that the trappings of a monarchy provide. Also, the office wasn't militarized the way it is today. There was another study which showed at the end of 1973 there were 14 military officers assigned to the White House . . . that over 90 sailors were running the White House Staff Mess and the presidential yacht . . . that about 65 army enlisted men were chauffeurs for White House staff. Of course air force pilots fly the President's planes, and the military even provides social aides for White

There are some structural problems with a multi-party operation . . .

WW: . . . like a minority president?

EJM: We've had minority presidents. Nixon was a minority president and John Kennedy was a minority president. Harry Truman was a minority president. It's just a question of how small you want the minority to be. Nixon got in his first election something like 15% of the people in the country — 25% of the eligible voters voted for him — and something like 40% of those who did, in fact, vote. So whom did he represent? 15% of the people, 25%, or 42%?

WW: But if we had a minority party president? . . .

EJM: Well, some say: we'd be like France if that happens. Actually France has a pretty good government now if that's what you want. People say the government would be falling. The government won't fall. You could even blast it out with Nixon in it. You elect a president for four years . . . a Congress for two . . . Senators for six. So you aren't going to have instability in terms of our government's falling. At the present, you have the problem of having the President be of one party and the Congress of another party. And Congress is a coalition anyway. You change on every vote. A coalition of 465 parties really.

WW: And of course one of your points has been that the two major parties haven't done that well anyway.

EJM: Well, that's right. Take the Democratic Party. When a party is consistently so wrong on important issues, so timid and late on others, and has twice lost presidential elections to Richard Nixon, one must ask whether it serves much purpose any longer. In 1968 most Democratic leaders supported what they called a "strong Presidency." When I suggested that Johnson had misused presidential power and over-personalized the Presidency, they accused me of wanting a "weak Presidency." Now, Democrats are writing books about the "Imperial Presidency" and saying it has to be brought under control. When in 1968 I called for the establishment of diplomatic relations with China, Democratic leaders disagreed or just ignored my point. After Nixon and Kissinger made their opening to China, the Democratic leaders thought it was a good idea.

WW: But wouldn't you still say there are some broad differences between the two major parties?

EJM: One might say that at some points in American history political parties served the country well by sharpening issues and presenting the voters with genuine choices. But that's not happening today. The parties have become ends in themselves . . . not means through which people can express themselves and get policies changed. And now, the parties, Republican and Democrat, are trying to freeze themselves into a permanent state of existence in the political process . . .

WW: How can they do that when there are so many signs that they're becoming weaker?

The Hare & The Wine

"The Presidential nominee of each major party will receive \$20 million in public funding for the general election campaign in 1976. Minor parties could receive a smaller subsidy — if there were any minor parties. The law's careful provision for non-existent minor parties may have been patterned on the scene from *Alice's Adventures in Wonderland*:

"Have some wine," the March Hare said in an encouraging tone.

Alice looked all round the table, but there was nothing on it but tea. "I don't see any wine," she remarked.

"There isn't any," said the March Hare.

Eugene J. McCarthy
"Campaign Dollars and Sense"
Commonweal
January 17, 1975

EJM: Through the new campaign law. It authorizes a public subsidy of \$20 million for the next Democratic presidential nominee and \$20 million for the next Republican presidential nominee. This will give those parties, which are already favored by state laws, an overwhelming advantage over all other political groups and parties. It provides no public financing for the 50-state petition campaign that an independent candidate must wage in order to get on the ballot. Essentially the new law gives the two major parties a 40-yard head start and tells the others, "If you can make up that 40 yards, you'll get credit for the last ten."

This freezing of the two political parties

ties into the political process should be rejected with the same swiftness as a suggestion that the Constitutional protection of religious freedom would not be violated if we had not one established religion — but two. It would be like telling people we're going to give you freedom of religion, and then saying, you have two choices: Episcopal or Presbyterian. We should not have an established political party in America; nor should we have two of them. It becomes a kind of political repression. There is a basic conflict and danger in having the government itself strongly influence the political process by which it is chosen.

WW: Can you win as an Independent?

EJM: Well, right now you know that one of the two major parties is going to lose . . . I think we have one chance in three.

WW: Is it ambition that's making you run?

EJM: I don't know if it's ambition. I was criticized in '68 for not wanting the office. I said then that I was "willing" to be President. I thought that was a stronger motive than just "wanting" it. I was "willing" to make that effort toward it in 1968 because I was persuaded that it was the only way we could end the War. Now, I'm criticized for wanting it too much. But, there is a need for what I am doing, something ought to be done, the office should be better defined.

WW: Out in California, Jerry Brown, one of your delegates in 1968, is setting a pretty independent course as Governor: living in a simple apartment, cutting back on governmental trappings, saying in a way that he's not very different from the people who elected him. And he's said of the symbolic value of what he's doing, that "anything you do manifests your own essence." Senator McCarthy, if you were President, how would you "manifest your own essence"?

EJM: Well, I've argued against an over-personalization of the presidency and tried to project it onto a somewhat more open, more rational, I guess you would say, more existential level. But there's no question that when you present yourself for the presidency, the person does become a factor. I think the program we've begun to talk about reflects my judgment about America and what it needs. I think the people will respond when it is presented to them. But it's very difficult to get through, when the media only reports on Republican and Democratic candidates.

WW: In 1968 you talked about the kinds of people the President would choose for the Cabinet as being a reflection of the kind of government and the kind of personality a president would have. Have you thought about what kind of people you would use in forming a government in 1976?

EJM: I think it is important in our campaign to name Cabinet members and the kind of people we would like. This would challenge other candidates to name prospective Cabinet members. For example, I think it would have been important for us to know in 1968 that Nixon was going to appoint John Mitchell as the Attorney General. It could have been an issue in that campaign. Here's a man whose whole record is partisan. Do we want a partisan attorney general? A while ago I wrote a piece on the Supreme Court, saying I thought the Court needed some non-lawyers, that many of the decisions were *beyond* the law, and that they could always get lawyers for technical advice. But you can't go out and get an historian in the yellow pages. Or a social philosopher, someone like David Riesman, would be a valuable addition to the Court.

WW: Michael Novak, in *Choosing Our King*, says that the Presidency is the nation's most central religious symbol, as the churches have lost their symbolic significance and the state has taken over some religious trappings. Do you see this trend?

EJM: Well, during the Eisenhower Administration, Congress passed a law requiring that "In God We Trust" be put on all our money. The assumption then was that that might help stabilize the currency. Perhaps we should repeal that declaration and see what occurs. But I don't really agree with Michael on that point. There's a disposition to make the President a king and to give him certain religious functions... but I don't think it's a significant cultural fact. I was a little disturbed when Nixon said he was *the* moral leader of the country. I thought that was claiming too much and that some of the rest of us ought to have been included. When a President begins to think that way it's rather bad, and Ford manifests some of the same. I do think it's better that Ford goes out to church, than that he bring religion into the White House and make it a cathedral as Nixon did.

WW: One problem with Ford going out to

church though was that one Sunday he went to that 8 o'clock service at St. John's and then came back and pardoned Nixon.

EJM: That's right. He said he was God's humble servant when he pardoned Nixon. That's a switch from what he said when he became President: that he was his own man. And then later, in his first address to the Congress, he suggested he was everyone's man.

WW: Well, speaking of not-so-humble servants, what do you think of Kissinger and his foreign policy?

EJM: His foreign policy triumphs are vastly overrated. His peacemaking travels have created a false sense of optimism which the electorate is willing to embrace because it is starved for even the appearance of decisiveness at any governmental level.

WW: Do you think that Kissinger and Ford, using this appearance of decisiveness, as they did in the Mayaguez action, might try to do something *this* election year, like Nixon and Kissinger did in 1972, when they announced a false peace for Vietnam only 8 days before the election, or in 1973 with their world-wide nuclear alert?

EJM: Kissinger has let himself be used before and could do it again. Remember, these are the people who have manipulated elections abroad, and helped overthrow governments, as in Chile. We may not conquer countries directly, as the Russians have done, but we have been running only a slightly different form of colonialism in both Latin America and Africa.

WW: A lot of press people here, and others, wonder whether your independent candidacy is a serious effort really aimed at the Presidency, or whether it's an educational effort for something later. How do you respond to that?

EJM: In 1968 the *New York Times* decided after 3 or 4 days in New Hampshire (for the primary) that it wasn't a serious campaign and took their people out... but of course they were wrong... and what we were saying *was* important, whether the campaign was going anywhere or not. The press says if you're just trying to educate people, then that's not serious. You somehow have to swear on a blood oath that you're going to do anything and everything to get elected.

We've got to get through to the people of the country what they *ought* to be

thinking about. And the member of the press can do it if they set their minds to it. I think I announced for the Presidency the same day Zsa Zsa Gabor got married for the sixth time. I don't think I should have been on the front page, necessarily. I wasn't a headline... but I don't think *she* should have been either.

WW: How would you say the media has done in interpreting your independent candidacy and your challenge to the Federal Campaign Act?

EJM: Well, they haven't done enough I think. They should be aware of free speech issues in politics, because *they* could be next in line for governmental control. I mean, suppose Congress passed a New Media Reform Act which limited the amount of money they could raise and then spend, which gave some government grants to certain papers or magazines but not to others; which created a Media Commission to audit their financial records, and which forced the disclosing of the names and addresses and occupations of subscribers. I would imagine that the media would contend that such an act would be a violation of the freedom of the press.

WW: Have you then been as disappointed in all the liberals who have not objected to the campaign finance act and the establishing of a virtually two party system?

EJM: In the first place, a "liberal" these days is someone who helps a man drowning 40 feet from shore by throwing him a 25-foot rope and saying, "I've met you more than halfway".

I think that congressional liberals who voted for the campaign law, and Common Cause and other liberals who have supported the campaign law and who haven't worried too much about having only two parties should recall the lines in "A Man For All Seasons" in which Will Roper said that he would cut down every law in England to get the Devil... and some liberals are indeed willing to cut down the Bill of Rights in order to end corruption. Thomas More then said in reply to Roper, "Oh? ... And when the last law was down... and the Devil turned round on you,

where would you hide, Roper, the laws all being flat? This country's planted thick with laws from coast to coast... and if you cut them down — and you're really just the man to do it — d'you really think you could stand upright in the winds that would blow then?"

Editorials

Thursday, September 2, 1976

Can Political Underdogs Get Fair Shake?

The problem of minority candidates in the presidential race is a perplexing one.

Only Democratic and Republican candidates, under the campaign finance law, are entitled to federal funds. This exclusion of minority candidates was upheld by the U.S. Supreme Court.

The same question now comes up in regard to the presidential debates.

The drawing of the line seems to run counter to the national trend to open up politics — to encourage more minority participation.

The bold talk of "everybody into the pool" stops abruptly when it comes to public campaign money and press exposure.

Eugene McCarthy, for instance, is conducting an active independent campaign and his name will appear on the ballot of some 40 states, according to plans. Yet he isn't eligible for public campaign funds.

Lester Maddox, the Georgia segregationist who once defeated Jimmy Carter for governor, is the presidential nominee of the American Independent Party. The American Party is running Tom Anderson. The Communist Party is again offering Gus Hall.

Nebraska Secretary of State Allen Beermann said the American Party is certified in Nebraska but the American Independent Party isn't.

He has ruled that Anderson can appear on the presidential ballot but not Maddox.

In some states there will be 10 or more presidential candidates. Iowa will have a handful.

Nebraska law limits eligibility to candidates nominated by formal organizations at national conventions.

McCarthy supporters went to court and successfully challenged the restriction. A three-judge federal panel

said the Nebraska law is unconstitutional in that it does not provide any method for candidates such as McCarthy to get on the ballot. Beermann said McCarthy will go on the ballot provided petitions filed on his behalf are sufficient.

Minority candidates are brushed off because they "don't have a chance." On the other hand, how many were betting a year ago that Jimmy Carter was a serious contender in a major party?

The registration of voters in the two major political parties continues to shrink while the independent pool continues to gain.

It may be that eventually, public opinion will demand some procedure for participation of independent and small party candidates who can demonstrate sufficient strength for recognition.

Some of the excluded candidates are

threatening legal action against the Federal Elections Commission.

"We're going to insist on the networks giving us a chance to debate with the other nominees of the other parties . . . We're also going to call on the Federal Communications Commission," warned Maddox.

The debates between Carter and President Ford seem to have been set up to get around the FCC's "equal time" rule. The debates, sponsored by the League of Women Voters, apparently will be covered by the TV networks as a news event, rather than as a production of the networks themselves.

Thus the minor-party and independent candidates may have legal trouble getting to participate.

How to be fair to the underdog and the have-not candidates is a subject for thoughtful deliberation before the next presidential year.

The New York Times

McCarthy Is Given Theoretical Chance At Election Victory

Special to The New York Times

WASHINGTON, Sept. 28—Eugene J. McCarthy, running as an independent candidate for President, has won ballot status in enough states with enough electoral votes to make his election in November at least theoretically possible.

In the last two days the former Democratic Senator from Minnesota won court contests that resulted in his being listed in four more states: Texas, Massachusetts, Maryland and Utah.

This raised his total to 29 states with a total of 318 electoral votes. To win the Presidency, a candidate must take a majority of the 538 electoral votes, or 270. McCarthy representatives are involved in litigation in 11 other states, and two more are still considering whether or not to certify him for a position on the ballot.

Democratic leaders are fearful that Mr. McCarthy might win enough votes that would otherwise go to Jimmy Carter in some key states to shift their electoral votes to President Ford and, conceivably, determine the result of the election.

In California, Mr. McCarthy failed to get on the ballot as an independent but he is negotiating with the Peace and Freedom Party to have its electors replace the present candidate, Margaret Wright, with him. This would not put his name on the ballot but would permit him to campaign for Wright votes and obtain electors if he carried the state.

In New York, McCarthy supporters filed more than the required number of signatures, but they have been challenged and a decision may not be reached until Oct. 5.

After his court victories yesterday and today Mr. McCarthy was not assured of ballot positions in enough states to win a majority of the electoral vote, and his opponents could argue that a vote for him would be wasted because his election was not statistically possible.



THE NEW REPUBLIC

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It's a little risky to take on Common Cause in some circles: the last time we suggested that John Gardner's was not the last word in wisdom we got such an outpouring of abusive mail (much of it in identical prose) and enough cancellations that we were tempted to fear some subscribers were willing to read only what they already thought. It's not the case. We're emboldened to argue that it's not only Mr. Gardner who has succeeded in constricting the political process this year. He and his lobby have been joined in the undertaking by the League of Women Voters. The League is to be congratulated for taking the initiative in organizing the campaign debates; but was it necessary for its officials to fall so quickly into line behind the Ford and Carter managers? To exclude McCarthy from the discussions is to deny the people exposure to the views of arguably one of the most original and incisive minds in American politics. The Internal Revenue Service has amplified the inequities by allowing the Ford-Carter debates to be financed by tax-deductible contributions to the League's educational arm. Will the IRS allow tax deductible dollars to fund an airing of McCarthy's positions?

The question of who's to be in on the debates is not a simple matter. If McCarthy has **rights**, doesn't Mad-dox? And what about the Libertarians, the Socialist Workers, the People's Party, and other millenarian sects that field presidential candidates? One could draw the exclusionary line so that it includes, beside Ford and Carter, one or two others—most reasonably if the candidate qualifies for the ballot in a significant number of states. But if that were to be done, why not draw the line to include only those with a chance to win, i.e. Ford and Carter. What's wrong with the reasoning, aside from the fact that it's self-fulfilling, is—as William V. Shannon has argued—that it only adds to the maze of electoral laws that already smother dissenting voices. "The procedural issues of political access" in an increasingly bureaucratized democratic society, Shannon wrote, should "be resolved in favor of fairness and openness."

Watching the two leading contenders train for their meeting on September 23 is not edifying. The candidates appear to have no real convictions, and their managers apparently think that's an asset. They're boning up like high school debaters, memorizing arguments, storing up evidence, practicing delivery, contriving jokes. It's not what they say that counts, but how they say it. Instead of coming down pro or con, however, they're likely to seek common ground on important issues and to establish their differences through code words. Flexibility is the aim, with Ford hobbled a bit on that score by a record he can't very well run against. Carter has Pat Caddell and his computers. They're an opportunity. Last week they told him to say that he should shed his liberal image and retrieve his conservative one. Ergo, a good word for the Burger Court. Carter's coaches, Ted Sorenson, Frank Manciewicz, John Stewart—men not cut from anti-Washington cloth—can go any way the computers suggest. Neither of the candidates will hire the man who did Nixon's make-up in 1960.

How alien McCarthy is from this sophomoric cram course; he does have convictions, and they come from a settled perspective on history and human nature. It happens also to be Niebuhrian in its fashion, a vivid instance of Christian realism fully comprehended, and not just *kitsch*. He could make a difference in the presidential debates. Despite his idiosyncratic behavior as a politician, he set the terms for much of the debate we've been carrying on in the country since 1968: the imperial presidency, covert operations of the CIA, a militarist foreign policy and resource scarcity were themes he struck before they were fashionable. Who recalls how he was derided (by Robert Kennedy among others) for suggesting that J. Edgar Hoover be retired from public life? Or that McCarthy long ago attacked the big automobile as an economic disaster and a social nuisance? For all this and more he has, as he said of Adlai Stevenson in 1960, "stood off the guerrilla attacks of his enemies and the sniping attacks of those who should have been his friends." But McCarthy was left "a prophet without honor in his own party." So the choice most voters will face as they enter the polling booth on November 2 is between two other men.

Hovering Presence

The Boston Globe

Mass. ordered to put McCarthy on ballot

By Thomas Oliphant
and Joseph Harvey
Globe Staff

In a development of some concern to the camp of Jimmy Carter, former Minnesota senator Eugene J. McCarthy was ordered onto the Massachusetts presidential ballot yesterday by the Massachusetts Supreme Judicial Court.

The court's brief order, coming on the heels of similar ones in Maryland and Utah, raises the number of states to 30 in which ballot position has been won by the maverick liberal who brought Lyndon Johnson's administration to its knees eight years ago.

Challenges by McCarthy in 10 other states are pending, including an important one in New York.

What bothers Carter people is that McCarthy retains more than a residue of his old support among liberals, a basic chunk of the Democratic coalition with which Carter has had problems. At various times this summer and fall, Carter aides have speculated that McCarthy could get between 5 and 8 percent of the vote in some liberal states, depending on how much money he has, his organization, and whether he works hard.

That might not be crucial in a state such as this one, in which a Massachusetts Poll taken for The Globe by Boston's Research Analysis Corp. last week found Carter with a 50-35 percent lead over Gerald Ford, and 13 percent undecided. McCarthy was not included in the poll, because, at that point, he was not on the ballot.

But it might affect the outcome in a state such as New York, where Carter's lead is thought to be very slender.

A victory for McCarthy

Nationally, a Louis Harris poll published yesterday showed Carter leading the President, 50-41 percent, with the rest undecided, when matched head to head.

However, with McCarthy and American Independent nominee Lester Maddox thrown in, his lead over Ford shrank to 46-39 percent.

The reaction of the Massachusetts Carter spokesman, Ed Jesser, was both cautious and barbed.

"Enough people signed his papers, so he should be allowed on the ballot," Jesser said. "I don't think he should be ruled off for narrow, legal reasons. But the time to send a message is in the primaries; this time, we're sending a President."

In Washington, McCarthy called the Massachusetts action "a significant victory," saying that "we're now on the ballot in 31 states and in the process we've straightened out the constitutionality of the laws in 15 states, so that's quite an achievement." McCarthy included the District of Columbia in his total.

McCarthy is awaiting the outcome of litigation in New York and California but said that as of yesterday Maryland, Texas and Rhode Island have placed his name on the ballot. "That makes 31 states so far, so I think we'll reach 40," he said.



EUGENE MCCARTHY
... 10 challenges pending

Oakland, Calif.
Tribune

Aug. 26

McCarthy Gains New Support

Independent presidential candidate Eugene McCarthy could snatch some of the California vote away from Democrat contender Jimmy Carter in November's election, the California Poll reported yesterday.

The poll found that McCarthy, "the invisible candidate" in this year's presidential race, polled 7 per cent of the total vote in a test match. The effect was to reduce Carter's lead over President Ford from 20 per cent to 17 per cent.

"McCarthy appeals disproportionately more to Democrats than he does to Republicans," said pollster Mervin Field. "If McCarthy does qualify for the California ballot and campaigns in earnest, it is possible that his presence could have a very significant effect on the present lead that Carter has over Ford."

McCarthy has said he is running an "invisible campaign" because of lack of news media coverage.

The Third Man

By William V. Shannon

WASHINGTON, Sept. 3—Eugene J. McCarthy, independent candidate for President, is the lean, gray ghost of American politics.

He moves from city to city, holding news conferences, meeting in private homes with small groups of supporters, talking to comfortably crowded audiences on college campuses and to thin crowds and many empty seats elsewhere. The hair is completely silver now but the Irish good looks, the sudden warm flashing smile and the soft voice are unchanged from eight years ago when the McCarthy campaign transformed the national political scene.

Mr. McCarthy is much less of a threat to the status quo now than he was then. But if he draws one percent of the popular vote nationwide—about 750,000 votes—it could determine the outcome if the Ford-Carter contest becomes extremely tight. McCarthy is on the ballot in 20 states and in the process of getting on it in 20 others. His electoral impact will depend not only on whether his long missionary effort is quietly winning converts but also on how well the two major candidates perform.

When he began his independent candidacy, McCarthy assumed that his Democratic opponent would probably be his former Minnesota colleague, Hubert H. Humphrey. Better yet, it might be Senator Henry "Scoop" Jackson. Against either of them, McCarthy could have mounted a withering attack on old faces and old ideas and perhaps have made a really dramatic showing in the final vote. Jimmy Carter is sufficiently new and sufficiently different to blunt that possibility. Only if Carter loses credibility with liberal Democrats during the next two months does McCarthy have a chance for a breakthrough.

Although McCarthy stresses several issues including unemployment, the still-bloated nature of the modern Presidency, and the waste of resources caused by over-reliance on the automobile, he arouses most interest when he denounces militarism. He favors a reduction of \$20 to \$30 billion in the Pentagon budget regardless of what the Russians do.

George F. Will The Man Who Never Shouts

CHRONICLE
San Francisco, Calif.
Aug. 4

EUGENE MCCARTHY is a gray swallow flitting almost noiselessly across the flat political landscape. He's also a reminder that it is a fortunate nation whose opposition figures are more moderate than the history that provokes them.

When victims of America's racial caste system began to crack it, the passions of the victims were captured by Martin Luther King, an antidote to the most violent passions. And when the U.S. fought a protracted limited war of attrition in Asia with a conscript army, dissent found in McCarthy a spokesman more measured than the policy he opposed. He was a rarity, a politician more sensible than his constituency.



Speaking at the National Press Club the other day, Mr. McCarthy said: "Three times we've got ourselves all saddled up at enormous expense because the Russians were coming. They weren't but we got ready anyway. The first time was in the 1950's and they were coming by bomber. So we built the Distant Early Warning Line and SAGE, systems that were out of date before they were completed. Then in 1960, the Russians were coming by missiles and we discovered the missile gap. There wasn't any gap but we spent billions preserving a gap of our own between our strength and the Russians. Now they're coming by submarines and we've got a submarine man—Carter—running for President.

"One of the reasons I'm running," McCarthy said, "is that I think the people should hear from someone who won't say we're underdefended. Of course, I've discovered a gap—the cavalry gap. The Russian Army has 3,000 horses and our army has only 29 and never uses them except for military funerals. We should be on our guard. What if it turns out the Russians are coming by horse?"

McCarthy remains one of the wittiest men in politics, tossing his mordant shafts in every direction. He glibed at The New York Times for its editorial support of the \$1,000 limitation on campaign contributions.

"If The Times had been writing the Declaration of Independence, it would have said, 'We pledge our lives, our sacred honor and our fortunes—up to a limit of \$1,000.'"

The "equal time" issue can be boring in its complexity but McCarthy convulsed the Press Club audience with his account of the television networks' contortions on this issue.

"They suffer a conflict between the two high values that usually motivate them," he said. "One is greed and the other is fear. They go through the year alternating between worship of the Nielsen ratings and worry that the F.C.C. will take away their licenses.

"Actually, I don't really need equal time," he continued. "I'd settle for a 3-2-1 arrangement. Give Carter three hours to explain his three positions on each issue. Ford would need two hours to explain his one position. If I have an hour, I could say all I need to say."

Laughter aside, it is an unfavorable judgment on our Federal and state laws that Eugene McCarthy should have to expend so much effort getting his name on the ballot and trying to get television coverage for his opinions. State electoral laws ought not to be a maze designed to baffle independent candidacies. If he is not permitted to participate in the Ford-Carter debates, television ought to afford him adequate time to present his views.

If independent voices and dissenting critics are to be heard in our ever bigger, ever more bureaucratized society, then these procedural issues of political access have to be resolved in favor of fairness and openness.

NOTE: We have not received any response
to our letter to you of Nov. 23
in response to your letter of Nov. 15
re an earlier complaint.

ARMT

77 DEC 22 11.
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE



Washington Watch™ a private newsletter

Volume 4, Number 20, May 14, 1976

THE '76 ELECTION: COULD AN INDEPENDENT WIN?

An Interview With Senator Eugene J. McCarthy

The undetected conspiracy to limit voters' choice in the anniversary election of the Declaration of Independence: the media, two-party political power monopoly, and the Establishment generally, have combined to limit voters' choice to two men in the November Election of '76. One will be a Republican, one a Democrat.

Media does it by paying attention only to the hustle and bustle of the primaries, to the "dramatic event," to the "action" shots of the candidates "doing something." Only time they pay attention to what candidates are saying is when there is a *faux pas*.

Washington Watch predicted, in our issues of January 2 and 9 a "year of political paralysis." We said then, "America's Quadrennial Leadership Crisis," called by its usual name of an 'election,' will preclude the resolution of the major issues facing the U.S., issues which must be solved if the nation is to survive..."

We cited as examples the economy and jobs, energy policy, urban problems, problems of pollution, over-militarization of America's foreign policy, etc. Tragically so far we have been right.

There has been no serious discussion of national issues in primary campaigns. Between the Republicans: Ford and Reagan, only diatribes of who is more "hawkish." Ford drops "detente" as a term. Among Democrats: "forced busing" and "ethnic purity" are the only phrases which come to mind.

The mood of American voters in the year 1976, the year of the American Bicentennial is one of frustration, apathy and a growing disillusionment with politicians.

Can an Independent offer a viable alternative to the American voters this fall?

Here is the analysis of *Washington Watch*.

- It is relatively easy in most states to qualify as an Independent for the November ballot.
- An Independent can win with the right combination of as few as 15 states with 270 electoral votes.
- Over two thirds of American people vote for the "right man" rather than the party's choice.
- Only 55% of eligible voters bothered to go to the polls in the 1972 election...only 40% in the election of 1974.

In a three-way race with 50-55% voter turnout in November an Independent can get as low as 17 to 19% and be elected. Actually even less because he would need to win in only half the states with 270 electoral votes.

CONCLUSION: An Independent candidate for the Presidency in 1976 could, conceivably, win.

HOW TO WIN: An Independent candidate like McCarthy, can put together a combination of 270 or more electoral votes by winning in fifteen key states. They are:

California	45	New Jersey	17
Colorado	7	New York	41
Connecticut	8	Ohio	25
Illinois	26	Oregon	6
Iowa	8	Pennsylvania	27
Massachusetts	14	Rhode Island	4
Michigan	21	Wisconsin	11
Minnesota	10	Total	270

Sen. McCarthy has already qualified in Ohio, Kentucky, New Jersey, Michigan.

We went to Sen. McCarthy to get his direct response to the possibilities of his candidacy succeeding. Further questions about his candidacy can be addressed to him at: 1440 N. Street, N.W., Washington, DC 20005.

WW: We would just like to ask you a few questions, Senator McCarthy, about the philosophical thoughts you may have behind the independent movement which you're beginning — whether you see it as a political party, in a sense, as a kind of free association of citizens for common purpose, with some kind of economic and philosophical basis as parties have had traditionally, or do you really see it as more an independent candidacy on your own part, as an alternative to other candidates.

EJM: I think of it in a pattern of three general conceptions of presidential politics. In each case it varies slightly. If you accept that we should have two established parties, through which politics generally ought to be conducted, I think then you have to allow for some *formal* way of outside challenge. What would follow from that most directly, I think, would be to build into the system an open way for an independent challenge when the two parties fail. In other words, you can't wait until they fail, and then begin to revise the system; you have to have a system which is open enough... so that at the point when the judgment arises that the two parties are not operating effectively, the challenge can be made immediately.

I think the situation otherwise would be comparable to what we experienced in '68. When the time did come to raise the challenge against the war in Vietnam, the party structure was so formalized and so frozen to protect the incumbent President and his position and the party position that we were not able to get through it. If we had in '68 the rules that were in effect in '72 or the rules that are in effect in 1976, in other words if the party had been open, I don't think that there is any question that the Democrats in 1968 would have come out in their party platform against the war.

WW: You're saying you don't think it was really *enough even then*, in terms of challenge in the primary system. Obviously, you did raise the issue then and did begin to turn the country around.

EJM: We did *within the party* bring around rules changes. The broader problem, we know, is in the statutory structure of politics and in the Federal Elections Act, which freezes us into two parties, and we ought to have an openness so that even if you didn't want to challenge on the issues in 1976, you might want to do it in 1980, but if you waited until 1980 you might have a situation similar to what we had in 1968, in which the formal procedures were such that you couldn't raise the challenge when it should have been raised.

The second complex of thought, that relates to this, has to do with the fact that fewer and fewer people are voting in presidential elections and in congressional elections. I would much rather see a presidential election in which 80 or 90 percent of the people voted, even though they were voting for four or five different candidates, than to have one in which something like 50 percent of the people vote, and vote for only two ... even though in the turnout of 80 to 85 percent you might be electing Presidents with 25 or 30 percent of the total vote.

WW: Well, we've done that before ...

EJM: ... that 25 to 30 percent in *numbers* might be a better endorsement than you get when you get 50 percent of 50 percent.

WW: Yes, and of course in the primary system now, it is so fragmented. In one state you may get to vote for Jackson versus Carter, or something like that, and you don't get, really, the full range of the candidates anyway.

EJM: The third, and I think this is perhaps the most important consideration, is that we still proceed in effect with the winner-take-all electoral college provision on a state by state basis. The man who wins in a state, even though it's a plurality, gets all of the votes from that state. This provision had some justification in 1789, when there were cultural differences among the states, and there were political reasons for doing it. The Union had not been carried to the point to which it now is, but there's less and less justification for it today.

There are fewer differences on the average, let's say, between a state like Georgia and a state like Minnesota. On

the average, those two states have essentially the same problems. They have racial problems of some kind; they have the problems of poverty, they have agricultural problems. There is less difference, overall, between those two states than there is between districts within each state. A northern Minnesota district is more different from a southern Minnesota district than the State of Minnesota is, in terms of political concerns, from the State of Georgia. Yet we proceed on the old basis. I think what we ought to be looking to is not a direct election of the President — nobody knows how to work that out — **but toward a more representative process.** What I would like to see, as a part of the effort we make in 1976, is an awareness of the *unrepresentative character of the present electoral process.*

FAREWELL PARTIES

"The party spirit ... serves always to distract the public councils and enfeeble the public administration ... (and) opens the door to foreign influence and corruption."

— George Washington
Farewell Address 1796

What we **ought** to have is something like 2,000 presidential electoral districts and let the competition for the presidential elector go on in each of those districts. You would then send the chosen person, a Republican, a Democrat, or an Independent, to the Electoral College, where the decision as to who the President of the United States ought to be would, in fact, be made. As an example, in both parties, particularly the Democratic Party, you have great controversy about quota representation — racial, for example. Black people say, "We are entitled to ten or twelve percent." The Spanish-Americans say, "We are entitled to three or four percent," depending upon ... If you had this system, in part it would be one of the things that comes from segregation. It would mean each of these districts would have about a hundred thousand people. You would probably have at the Electoral College two hundred Black electors, who would be there.

WW: It would be fewer people than vote for a Congressman.

EJM: That's right. If you had two thousand people at the convention, at the Electoral College, I think the most the Democrats and Republicans have is

around twenty-two or twenty-three hundred, but by the **very nature** of American society, you have **something** like ten percent of the Black people would be represented by *their own representative*, whether he were Black or white, but he would have been chosen out of a constituency in which the Black interest would have predominated, or the same would have been true of Mexican-Americans, or Puerto Ricans, because they **are segregated**. It seems to me that what you would then get would be a negotiated determination of who the President should be. But that's not bad because that's what you get at the conventions.

WW: Well, everybody objects to this possibility of throwing it into the House of Representatives. I'll bet if you did it that way, a lot of the Congressmen would be elected, as electors, anyway.

EJM: Actually, in the House of Representatives I think there must be ten or twelve Black members now. The minorities would really have more representation that was measurable if the election were thrown into the House today than they do have, when you consider their representation at the Republican and the Democratic Conventions together — actually even more than they get at the Democratic Convention. They're now asking for more at the Democratic Convention. So in my opinion this would be **a constitutional procedure adjusted to modern times**. It would answer many of the questions that people now have about being *unrepresented*, about having no line between *their decision* and the decision made with reference to the Presidency.

It would also take care of many of the problems of party activity and party operation. I would assume that the cost of conducting a presidential campaign in this way, with constituencies of a hundred thousand people, which means fifty thousand voters, could be less than two million dollars, because **one** person with a mimeograph machine who goes out and works can say, "Look, I am the elector, and if you pick me, I will be for Johnson," or "I will be for Humphrey," or "I will be for Jackson," and you could reach a number of people roughly comparable to a parliamentary district in England. It's a waste of money to spend more than just enough to tell people who you are.

WW: They can presumably still meet in an Electoral College. It would be a little something like a convention.

EJM: Oh, it would be **the ultimate convention**, but that is what it was intended to be. Instead of this, you have the feeling that something *mysterious* has happened at the Electoral College, when in fact all the trading and horse trading has gone on at the conventions. It would be much better to have it happen at the point of showdown.

WW: Well, do you subscribe to this theory that the convention is a sort of crucible of democracy, that the primaries themselves are a winnowing down process? Or do you think we really don't have to go through all that, basically?

EJM: I don't think the presidential primaries are at all helpful, no. I think they could be drafted within the party structure so as to establish the procedures similar to what I am asking for in the Electoral College. For example, New York has changed its law, I think for the worse, in the Democratic primary. In 1968, my name wasn't on the ballot in New York, but the people who were for me, had to go to their constituencies, which were roughly the size of the state's senatorial district, and say, "Look, I want you to vote for me in this primary, and then I will go to the New York Democratic Convention, and I will be for McCarthy."

There were other people running in the same constituency saying, "Vote for me and I will be for Robert Kennedy," or "I will be for Hubert Humphrey," or "I will be an Independent." And this is the process as it was conceived in the Constitution, but we've lost sight of it, generally in the process of picking delegates to conventions and to a large extent in the way in which the state primaries are now conducted.

WW: A lot of liberals are saying these days that you, with your independent candidacy, could take votes away from whoever the Democratic candidate is, but of course none of these liberals seem to object when Gus Hall runs or when Henry Wallace or Dick Gregory run. How do you talk to your liberal friends these days, when they accuse you of fragmenting the party, or whatever it is —

EJM: Well, I say, first of all, you can't fragment the Democratic Party because it's impossible to fragment or split sawdust. But, more objectively, I say, first of all, there are the 50 percent of the people who didn't vote in 1972 — people whom we want to reach, and you aren't getting them anyway. And there were

60 percent who didn't vote in the 1974 election, so that's our first effort, principally to get the young people who have not yet voted or are indifferent to it, and

"If a tree falls in the forest . . ."

Suppose the Congress of the United States passed a Newspaper Reform Act which limited the amount of money *The Post* could raise and the amount it could spend; which granted government subsidies to some newspapers but not to others; which forced disclosure of names, addresses, and occupations of certain *Post* subscribers; and which established a Newspaper Commission that claimed the right to audit *The Post's* financial records upon demand. I suspect *The Post* would say that such an act violated freedom of the press.

This is precisely what the new campaign act does to political campaigns. The press should look to the protection of free speech in politics, if only because the press could be next in line for governmental control.

Common Cause, congressional liberals who voted for the campaign law, and newspapers which have supported it, should all remember the scene in "A Man for All Seasons" in which Will Roper said he would cut down every law in England to get the Devil (for some liberals are willing to cut down the Bill of Rights in order to end corruption). Thomas More replied, "Oh? And when the last law was down, and the Devil turned round on you — where would you hide, Roper, the laws all being flat? This country's planted thick with laws from coast to coast . . . and if you cut them down — and you're just the man to do it — d'you really think you could stand upright in the winds that would blow then?"

— Eugene J. McCarthy
Letter to Editor
Washington Post
August 28, 1975

beyond that we would like to get as many votes away from you as we can. I mean, that's your worry!

WW: Parties better stand for something, in other words . . .

EJM: Or you can just line up and endorse me, if you want to demonstrate responsibility.

WW: Well, if Humphrey or Carter gets the nomination, which seems very possible right now; and on the basis of what they've said in the past, how would you distinguish your candidacy from theirs in speaking to the people that they would be speaking to?

EJM: I think that there are at least two things on the record, maybe three, that we look back to, and I think it's all right to look back a little bit when you're picking a President. We should have looked back a lot farther than we did when we picked Richard Nixon, and we should have looked back at, or more deeply into, Spiro Agnew — or somebody should have — before they picked him for the Vice-Presidency. I am of the opinion that what people do in office comes pretty close to what they did along the way in lower office or what they did in campaigns on the way. And I say that if a man is running for President who supported the Vietnam War beyond 1968, I think this raises very serious questions about his competence to make serious judgments about **war and peace in the future**.

WW: Did Carter — ?

EJM: As far as we know, Carter was for the war. You'd say, well, you could excuse him because he was a governor, but you also don't excuse a person for making judgments about things he doesn't know much about, either. If he said, "Well, I didn't take a stand," you'd say, "Well, all right for you." But I don't say you can absolutely hold this position, because many people were wrong on it.

Second, you take a look to see how they conducted themselves at the convention in 1968. Here you get a fairly good test of whether or not the candidates were sensitive to the democratic process, were willing to keep it open, to give people their rightful representation there. If they said, "Look, we're going to take advantage of any rule that we can take advantage of to win," then you say, "I have less than full confidence in you to be fair in the conduct of the office of the Presidency."

The third standard which I would apply is whether or not the person supported, and took advantage of, and **used**, the provisions of the Federal Elections Act, because here is an act which the Supreme Court has said violated freedom of speech, which the Court

has said violated the separation of powers, which the Court has said intrudes upon privacy, and *suggests* that it interferes with freedom of assembly and the right to organize.

Well, you can't say, "Well, it's *only* with reference to *politics* that I tolerate violation of the Bill of Rights, and in other areas I don't," because we've seen through Watergate that you can't really segregate your methods, and under pressure the person who accepts an improper method for one purpose is quite likely to accept it for another purpose. Then, from that point we go on to say, "What are they saying about the conduct of the Presidency?" And they say, "Well, he's for this or that legislative program." I don't mind, you know. That's fine. They say, "He had a good domestic record." You make them talk about their conception of the Presidency. Hitler had a good domestic record, you know. So did Mussolini. They were for health insurance, all these things.

Hitler or Mussolini could have reorganized one of our state governments here, made it very efficient. All you say is, "Efficiency doesn't matter that much." But you say, "What's your conception of the office of the Presidency?" You have to watch these people rather closely, you know. Most of them say, "Well, I won't get us into war, without following constitutional procedures," but I also find most of them will say, "I will take troops out of Europe."

By what authority? The President doesn't have the right to make commitments; he doesn't have the right to uncommit us either, without showing some respect for —

WW: They never even say, "I will go to Congress."

EJM: They should say, "I would like to renegotiate the NATO treaty, to confer with the Senate, and we will see if the number of troops can be reduced, but this is a matter that involves our treaty obligations." They're not saying that. They're sort of saying, "Well, I'll now admit that I don't have arbitrary power to *involve* us, but I have arbitrary power to *uninvolve* us." Where did they get it?

It suggests to me that they haven't thought out the office, and that if they haven't thought it out, and if they accept the idea of this kind of authority, the arbitrary authority, then they could say, "Well, why not go back, cir-

cumstances have changed, and therefore I'm going to go back to the old method."

WW: Does it reassure you, or worry you, that Jimmy Carter was a submarine commander?

EJM: I have no reason to believe that experience on a submarine qualifies one for a surface command or that Navy experience necessarily qualifies you for handling affairs on land. He might have been a very good submarine officer . . . I never thought that Admiral Rickover necessarily would have made a great President, but I think he was a very effective submarine scientist and engineer.

RICHARD GOODWIN ON McCARTHY'S CHANCES

I think he can win . . . I like him and I think he would make a good President. He has one of the most intelligent and original minds I've ever seen in politics. Certainly compared to anyone else in the field, there's no comparison. The Democratic field is completely empty. He knew more than anyone else last time, you know. I think he can do it.

— Richard Goodwin

WW: Now, Senator McCarthy, you have been writing a book about comparison of the America of a hundred years ago, when de Tocqueville was writing about it. What would you say de Tocqueville might say about the present situation if he were here today — about the political parties and the many candidates that we have in this bicentennial year?

EJM: I think he might be saying about

what I'm saying! [laughter] In addition to the question of the conduct of the office of the Presidency, I think that the sort of underlying question of what we do about crime, about poverty and so on, the economic substructure of the good life in this country and even beyond — that of our own international affairs — does depend on how we deal with our *own* economy, and as I look on it now, the Republicans and Ford are pretty much running on traditional Republican economic policy, which goes back to about 1932, to the effect that, "We want more capital investment, and less Government control," which doesn't work at the present time — we know that it doesn't. And the Democrats are sort of running on their 1948 platform, which is a carryover from the New Deal, with propping things up. More deficit spending is their theoretic position, but around that they say, "More employment compensation, more welfare, more public service jobs."

Senator Humphrey, using the language of 1948, said we need a Marshall Plan for the cities. But they're living in the past. We need a positive alternative from a Presidential candidate who understands, I think, the economic and social disorder of our time. That means a poverty program. It means a redistribution of work and it means a positive program to see to it that the resources of the country are not wasted as they are now being wasted in both the public sector, largely defense, but more significantly in the private sector. We're the greatest wasters, the greatest overconsumers. We've committed ourselves more to planned obsolescence and conspicuous waste than any nation in the history of the world, and we need a policy to stop it.

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WEEKLY NEWSPAPER — NEWSPAPER TREATMENT



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INDEPENDENTS: THE FUTURE MAJORITY?

WASHINGTON, D.C. — As seen from here — a slow but perceptible shift taking place in the center of gravity of American politics — a shift away from the Nixon-Agnew dream of a "Silent Majority" conservative coalition towards a new consensus. The outline of this new consensus, which we call "The Future Majority" of the elections of the 1980's and 1990's, is still vague: the only term now applicable seems to be "the independent movement." The growing number of independent voters; the widespread dissatisfaction, both left and right, with existing political parties; the number of "non-party" politicians winning office at the state and local level — all are symptoms of growing unease over "politics as usual."

CARTER SCARED OF INDEPENDENTS

Jimmy Carter's pollster Pat Caddell has come up with 5% to 10% in several polls in the last two months for Independent candidate Eugene McCarthy in a three way race with Carter and Ford. Carter so worried about McCarthy that he told the Democratic Governors' Conference in Hershey, Pa., that McCarthy could hurt the national ticket. The implication: help stop him. This may explain some of the legal difficulties that McCarthy is encountering from state Democratic officials in his attempts to get on the ballot.

Carter's worries are not based solely on this national opinion sampling of McCarthy's support. Caddell's findings show Carter himself to be a relatively weak candidate running against even weaker opponents. The projected 'flood-tide' of votes for the Democratic candidate may foretell a

wide victory margin, but it also discloses that the 'flood' is only inches deep.

During the final primaries against California Governor Jerry Brown, Carter was unable to muster an effective counter-thrust because of these weaknesses. His innermost political advisors warned Carter that taking any position on the issues would cost him support. The voters, it seems, each have their own notion of what Carter really stands for: if he says anything concrete, his advisors fear, whole blocs of prospective voters will drift away.

PEAKED TOO SOON

Washington political analysts familiar with opinion polling already predict a sharp drop in support for Carter in coming months. He cannot, they reason, avoid taking vote-losing positions during the fall campaign. He is already at the peak of his popularity. It will be down-hill from now to November. This is the basis for Carter's fear of independent candidate McCarthy, the Libertarians, and the new conservative group, the Committee for a New Majority. These candidates will force Carter to take more and more specific positions with the electorate. Each announcement, each press release from Plains, Georgia, will thus cut away more and more support for the Democratic candidate.

ROLE OF THE MEDIA

Boredom with the candidates of the major parties is already generating crucial media coverage for independents like McCarthy. The former Minnesota Senator is appearing almost weekly on national TV news

shows, and his campaign appearances are beginning to receive regular coverage by local TV and radio stations. Regardless of his standing in the polls, McCarthy's wit and humor are good copy. More coverage elevates the visibility of his campaign, and thus its legitimacy. McCarthy's decision to concentrate his fire on Carter is convenient for the media: Jerry Ford is so inept as a campaigner that he almost lost the nomination to Reagan. Carter's lead over Ford is so huge that the Presidential race is losing significance as a story for the newsmakers. A one-sided race is not a true contest. No contest — no story. McCarthy, with his wit, is a breath of fresh air for political writers struggling to generate interesting copy for bored editors, and readers.

FROM MAY TO NOVEMBER

The conventional political wisdom is to discount the threat of third parties or independent candidacies in the general election. There is some historical validity to this view, though *Washington Watch's* analysis suggests that conventional wisdom should be held in abeyance given the extraordinary conditions of 1976. In the past, however, the prospects for a third party have often failed to measure up to even the expectations of the experts.

WHAT HAPPENED TO THE PROGRESSIVES?

The supporters of Henry Wallace claimed he would draw 10 million votes in the election of 1948. With Wallace attacking from the left and the Dixiecrats from the right, the long predicted disintegration of the Democratic Party seemed at hand. But

Truman won the Progressives garnered "only" a little more than a million votes, barely 10 percent of early findings of the pollsters. As pollster Sam Lubell put it, "Why do third parties always look so formidable in May and so hollow in November?" (*The Future of American Politics*, Samuel Lubell, 1952).

Similar observations were made about the 1968 election and the electoral performance of Governor Wallace. Wallace consistently showed as much as 20 percent in the national polls, so that his final performance (a credible 14 percent) was *discounted* by the nation's opinion makers. What goes on between the primaries and the general election to siphon votes away from a credible independent or third party candidacy?

LUBELL'S THEORY

Wallace (Henry) in 1948 and Wallace (George) in 1968 *both appealed to the wrong constituencies*, according to a theory advanced by Lubell:

"Without realizing it, the Progressives of 1948 were controlled by a wholly new orbit of conflict. Wallace tried to revive the insurgency of the agrarian frontier, but almost all of his vote came from the cities, and primarily from the elements most sensitive to the issue of civil rights. Of the thirty precincts in the whole country which Wallace carried, nearly all fit the description . . . of the new zone of protest developing along the urban frontier." (*Op. Cit.*)

In terms of documentation, Wallace carried seven precincts in Tampa, Florida, which were inhabited by Cuban born cigar workers. The five precincts which Wallace carried in Los Angeles were declining Jewish neighborhoods into which Negroes had begun to move; the eighteen precincts he carried in New York City were either in Harlem or in isolated neighborhoods around a Communist-owned apartment complex.

Wallace's *campaign* on the other hand, was addressed not to the dislocated or discontented urbanite, but to the old peace coalition of Midwestern progressives which had proved so faithful to La Follette in the early 20th century. These voters, primarily of Germanic or Scandinavian ancestry had been the insurgent base of the Progressive movement at its

heyday from 1900-1914. These voters were the offspring of agrarian immigrants from northern Europe, allied with La Follette under the banner of isolationism against the Yankee East.

But Wallace got only 25,000 votes in Wisconsin, and only 27,000 in Minnesota. In the whole of the nation three-fourths of Wallace's votes came from Negroes and Jews. New York state provided Wallace almost half of his national vote of 1,150,000 — with these voters reacting not to Wallace's platform but against what they saw as "shilly-shallying" by Truman on the Palestine question.

From a tactical point of view, according to Lubell, it was Wallace's position as an *alternative* to either Truman or Dewey, *not his position on the issues* which generated votes for him. Moreover, if Lubell is correct, earlier reformists made similar errors of judgement about the basis of their support. Lubell cites socialist Eugene Debs as another example:

"Socialism is supposed to be a philosophy born of the urban slums, yet before World War One, Eugene Debs pulled his highest vote percentage in Oklahoma.

"The fact is that at various times quite different groups find it convenient to invoke the same ideological concepts. Important as the ideas themselves are, what often happens is a revolt of certain voting elements, which grab whatever slogans happen to be available." (Lubell, *Op. Cit.*)

Wallace in 1948, and other independent candidacies, have failed to live up to expectations, then, because **resources were wasted by appealing to the wrong voters.**

In 1948, then, a potential new political movement failed to get off the electoral launching pad because **the candidate did not grasp the real basis of his support.** This development

appears unlikely to dominate the politics of 1976, as all the candidates, through public opinion sampling, have a much clearer idea of who their supporters or potential supporters are.

WHO ARE THE INDEPENDENT VOTERS IN 1976?

"Independents," historically, have been voters who are *politically naive, apathetic, and vulnerable to the swings of public opinion.* As a category for pollsters, the independent voter has been least likely to show up at the polls in November (Wallace supporters in 1968), and least knowledgeable about the issues and the candidates. People answering the pollsters queries about preferences for party with the reply "I'm an independent," generally have been voters unwilling to inform themselves on the issues and more unlikely to participate.

Evidence has been accumulating since 1968, however, of a **startling shift in the composition of voters calling themselves "independent."** The "new independent" is the mirror-opposite of the independent in past elections:

TRUTH IN LABELING

The label "independent" is thus a misnomer in 1976, including under its rubric two diametrically opposite categories of voter. The "Old" Independent is usually an older voter. His stance on issues — to the extent that he has one — conforms to the needs and concerns of older voters: social security, inflation, concern about crime and violence, support for authority.

The "New" Independent, on the other hand, tends to be a younger voter, often under 30 years of age, with concerns ranging from the environment to international politics. The New Independent also *does not conform to the stereotype of the New Left.*

OLD INDEPENDENT

- tends to be over 50
- votes infrequently
- never works for a candidate
- doesn't contribute financially to candidates
- is a high school graduate
- supported Nixon

NEW INDEPENDENT

- is under 35
- votes often
- has participated in 2 or more campaigns
- contributes time & money
- attended college
- did not support Nixon

BEYOND LIBERALISM

The New Independent is not a captive of ideological rhetoric of either the right or the left:

- **Crime.** The independent voter of the 1970's does not believe either in the 'economic determinism' school of the left which excuses crime as being the necessary outcome of poverty, or in the 19th century moralism which asserts that crime can be stopped by increasing the frequency of public executions. The New Independent believes that rampant crime in the U.S. arises out of growing ethical ambivalence at all levels of our common life. People no longer keep their agreements, whatever they are. Workers report late to their jobs, officials fail to complete their assigned tasks in accordance with the standards set out by law and regulation. A sloppy Postal Service, the high divorce rate, juvenile crime and the spectacular excesses of public officials have the same genesis: the unwillingness to take responsibility.

- **Economics.** The New Independent looks at the U.S. economy and the alternative economic systems of democratic socialism in Europe, as well as communist economies, with the same critical eye. No developed country — East or West — has a housing policy which works. All economic systems are plagued with slipshod workmanship, corrupt management and inattention to detail. Organizational solutions — such as nationalization or a return to Reagan-style "Free Enterprise" — are viewed as unlikely to improve the performance of the modern industrial economy.

- **Defense.** The New Independent does not trust the Communists (or his own government) to keep agreements; neither does he or she believe that the ever more threatening development of modern advanced weapons systems can bring about a peaceful world order.

- **Environment.** The New Independent views the deterioration of our environment with aesthetic distaste; yet he or she does not see a reversal of the process of industrialization as a plausible solution to the problems posed by modern technology.

- **Education.** The New Independent believes in supporting the public schools and in racial integration. But

he or she no longer believes that *school busing* is a solution to the problems of segregation in our public schools. Yet, the same voter does not see a viable alternative to busing on the horizon.

- **National Health.** The New Independent acknowledges that health care costs are outrageous. Yet the same voter doubts that a costly new program tacked onto the Social Security system will either reduce health care costs or increase the availability of service for most citizens.

PHILOSOPHY OF INACTION?

The failure of either liberalism or conservatism to offer plausible solutions to the nation's problems has been the source of the **apparent apathy** of many voters. *It also has contributed to the critical political factor of politics in 1976 — the low registration levels among voters aged 18-25.* "Failure to vote" as Sam Lubell pointed out 25 years ago "is not always a sign of apathy." It can mean that "voters are so emotionally torn that they can't bring themselves to cast a ballot for any candidate." The same thing holds true for registration: if newly enfranchised voters do not believe that politicians have anything to offer in the way of solutions for the nation's problems, they have no reason to register. So, to the "Old Independent" and the "New Independent," *Washington Watch* would suggest a **third** category of citizen who cannot be classified as a partisan voter: the "Lack of Hope" Independent who sees no meaning in the electoral process, but who would *leap at the chance to register and vote if he or she could see how it might make a difference.* This third force in the independent column holds the key to the future of American politics.

REGISTRATION AS A STRATEGY FOR REFORM

By 1984, eight years from now, the majority of the voting age population will consist of men and women born after 1945. These voters are the "Future Majority" who will shape the politics of late 20th century America. The views of voters who are now under 35 years of age — the core of Eugene McCarthy's support — will probably decide the outcome of the elections of 1980 and after, and *have the potential*, if enough voters now aged 18 to 25 can

be registered before November, of deciding the outcome of the 1976 election. An active campaign to register the younger voter could therefore dramatically shift the odds this November away from the expected Jimmy Carter landslide into a genuine three-way race for the Presidency.

Even if this does not occur, the voting patterns among this segment of the electorate are the most accurate predictor of the shape of politics to come. Analysis of available data suggests that conventional politicians have failed to grasp either the mood or the sentiments of this emerging future majority among today's voting population.

SPACE: A CASE IN POINT

The U.S. space program is a pertinent case study for analysis. As early as 1972 (as we reported in our June 11, 1976 issue — ed.) voter opinion sampling picked up one dimension of the non-ideological viewpoint of the New Independent, under-30 voter: these voters all tend to favor an expanded space program by a large majority. They do not believe that space exploration is a boondoggle (as does the Old Independent or the over-40 voter in general).

THE PARTY SYSTEM — A FLAWED MECHANISM

The present two-party system is unlikely to create or discover a candidate who is truly responsive to the mood and the temper of the Future Majority which will dominate America's political future. As Woodrow Wilson pointed out 68 years ago, the two party system creates at once a candidate who is destined, if he wins, to be simultaneously leader of his party as well as leader of the nation. The New Independents, outside the main thrust of the political nominating process, have tried twice in recent years to choose their preferred candidate within the party system, only to fail either at the convention (1968, Chicago) or the polls (1972, McGovern).

In 1976, the conventional party system has given us two candidates who have virtually **no support** among the voters who constitute the majority of America's future. Neither a Carter nor a Ford Presidency can be expected to respond creatively to the needs of this new constituency. Neither candi-

date, after all, owes his main support to these unrepresented voters and potential voters. It would therefore be the height of naive optimism to expect our next President to have a "forward look" if his constituency, to use McCluhan's phrase, "use their rear-view mirror to steer their automobiles."

It is easy to see how Gerald Ford is "looking backward." The case of Jimmy Carter is more obscure. But his interest in zero-based budgeting, organizational reshuffling, and antiquated moralism represents a composite from Democratic Administrations of the past. His interest in organizational efficiency had its genesis, by his own account, from his military, state, and business administration experience. The author of this theory of cost efficiency? None other than Robert S. McNamara.

1976 TO 1980: TWO SCENARIOS

If Jimmy Carter Wins . . .

If the Carter-Mondale ticket wins in a landslide as the polls predicted in late July, what kind of Presidency could we expect?

- **Foreign Relations.** Carter, by his choice of advisors, indicates that U.S. foreign relations will take a slightly new tack rhetorically, with little promise of a major shift in international strategy. Carter's insistence that more attention be given to the developing nations could not mean, given budgetary constraints, the kind of massive transfer of capital from the U.S. to the Third World which would satisfy U.S. critics in the poorer nations. What he proposes, therefore, could only be a shift in rhetoric.

ASTONISHING FRITZ

Mondale arrived in Plains late tonight and was greeted by Carter and a crowd of 500 persons who sang the hymn "Amazing Grace" as a welcome.

Washington Post
July 25, 1976

Carter's condemnation of terrorism (*Washington Watch*) may also indicate a renewed propensity for interventionism in the third world. It is difficult to see how the U.S. can (to use Walter Mondale's phrase) treat Libya and other African states as havens for modern "Barbary pirates" and hope to improve our relations with these states.

- **Economy.** Carter's qualified support of the Humphrey-Hawkins bill means a return to the "more is better" school of economic planning in the U.S. Employment figures would improve and inflation would get worse. This is better than high rates of joblessness, but smacks of lack of imagination.

- **Education.** Carter insists that "busing is a tool of last resort" to promote integration. Likely outcome: more busing, less integration, more frustration.

- **Welfare reform.** Carter, too, is against chislers on the welfare rolls. Who isn't? Better administrative techniques would improve efficiency, but the basic logic of our welfare state would remain on dead center — where it has been for nearly 40 years.

In sum, Jimmy Carter promises another Presidential interregnum.

another postponement in dealing with the emerging issues which frustrate the electorate.

If Gerald Ford Wins . . .

Should Carter falter, victim of some yet to be disclosed scandal, we can expect a second Ford term to mimic the first. No new programs are likely, and a hostile Congress will frustrate even the day to day operations of the White House.

IS THERE ANOTHER SCENARIO?

Washington Watch, looking at the history and the prospects of independent candidacies for the Presidency thinks there is a third way: support for an independent candidate. As we see it, the base has already been laid for a viable independent run for the Presidency in 1976 in the candidacy of Eugene McCarthy.

In our view a McCarthy candidacy is the best option open to the New Independent and the "Lack of Hope" Independent Voter. We believe that win, lose or simply by campaigning, Senator McCarthy will help set the tone and create the political base for the future majority which will emerge as a major force by 1980 and decide the election of 1984. It is vital that the New Independent participate and campaign in 1976 in order to set the terms for the political debate in the years to come.

And, if enough of the newly enfranchised 18-30 year olds can be registered before November, 1976 could be not only the anniversary of American independence, it could be the renewal of political independence for the American people.

— John Boyles

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INDEPENDENTS: THE FUTURE MAJORITY?

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BUILDING A BASE FOR 1980

Washington, D.C. — Without precluding a possible upset victory for Presidential candidate Eugene McCarthy in 1976 (see *Washington Watch*, May 14, 1976), the evidence for a broad-based winning Presidential candidacy by an independent four years from now grows stronger day by day.

On August 6th, ("Shattering the Myth of the Two-Party System") *Washington Watch* raised the following points:

- the number of independent voters is growing rapidly
- independent candidates have played a significant role in recent elections
- less than half of our Presidents have been elected by a majority of the voters
- at least two Presidents — Washington and Jackson — were elected without 'benefit' of political parties
- the party system itself has all but collapsed in recent decades
- recent changes in the law (campaign spending, proliferation of the primaries) while superficially benefiting the parties are actually hastening their downfall by forcing major candidates to create independent candidacies within the parties
- as a result, under our growing "no party" system, so-called 'anti-politicians' are winning or being nominated with growing regularity

On August 13th, ("Independents: The Future Majority") additional points were raised:

- Independent voters are the emerging majority. By 1980 (and

certainly thereafter) independents will dominate the political process even if no action is taken to accelerate this process.

- the "new" independent voter, unlike the stereotype of past years, is younger, more activist, participates in politics, contributes time and money.
- the "new independent" has already gone beyond liberalism, favors pragmatic, non-doctrinaire positions on the issues.

In our last issue, we pointed out that an active campaign to register the new voter (18-25), probably in the context of Eugene McCarthy's current campaign for the White House, could potentially change the outcome of this year's election.

Recent events have tended to indicate that veteran Washington observers are beginning to come around to this view as well:

"Despite the Don Quixote flavor of the McCarthy campaign it may be too early to write him off as a candidate without impact. If he gets on the ballot in 40 states, he has the potential for attracting the votes of those who may be soured either on the 'system' or on the candidates of the major parties. And there may be some who will cast a sentimental ballot for the 'clean Gene' of the 1968 campaign. In a close race it is not beyond possibility that Mr. McCarthy's vote could make the difference." (The *Washington Star*, July 28, 1976.)

Tom Wicker, the veteran *New York Times* political analyst, has outlined some of "unexpected" characteristics of McCarthy as a candidate which keep shattering the expectations of veteran

reporters:

"his willingness to challenge Johnson, who had seemed unchallengeable, and his promise to change Johnson's war policy, which had seemed unchallengeable, electrified American youth, evoked their idealism and energy and brought them into party and elective politics to a degree that far surpassed McCarthy's stated intention to appeal to them, or anybody's expectation."

McCarthy's quick wit and acute political intelligence could suddenly prove decisive if Carter — who is already running a mysteriously defensive campaign for a candidate so far ahead in the polls — should stumble.

INDEPENDENT VOTERS CAN WIN IN 1976

But a realistic assessment of the prospects for November 2nd still find the probability of an independent being elected President relatively low. As *Washington Watch* has documented it, the declining two-party system is defending its electoral redoubts with biased and unfair legal advantages (the campaign spending law, proposed suspension of the "equal-time" provisions of the Federal Communications Act.) A McCarthy victory in 1976 would clearly be the political upset of all time.

But the independent voter can "win" in 1976, regardless of who takes office in January if the campaign is used by the voters to rehabilitate the political process. This process is already underway, and comprises the opening wedge for the winning independent campaigns of future elections.

THE GOAL: "CREATING SPACE" INDEPENDENT CANDIDACIES

The value of McCarthy's (and other) independent candidacies in 1976 to the voter cannot be measured by a simple electoral vote count. Only one person — the next President — will actually "win" the election. The rest of the voters — those who vote for the "winner" as well as those who vote for the losers, will simply watch the returns on Tuesday night (and possibly Wednesday morning) only to go to sleep with the knowledge that *they* will not take office on January 20th.

All of the voters can be termed "winners," in a sense, however, if the electoral process this year is improved by the nature of the campaigns waged for independents like McCarthy if:

- the range of choice is increased
- participation is improved
- debate is focused on issues of import
- *unfair* advantages to certain candidates are eliminated

"REAL ISSUES" AND THE FEDERAL COURTS

The United States Constitutional system rightly frowns on "unnecessary" judicial review of the constitutionality of laws. What is necessary is a **real contesting**, i.e., that a party or plaintiff must show that "real" damage has been done to his interests, or that "real" harm will occur to the body politic, or citizens' interests, if his cause does not prevail. This is what McCarthy is doing by "really" running for the Presidency. His interests (and the interest of all Americans in the openness of the political process) are being served by the suits which he and his supporters are bringing in ten to fifteen states which have on their books laws which discriminate against independent candidates in favor of the "monopoly" candidates of the two "major" parties.

Twelve states have laws which discriminate, at the presidential level, against independents (i.e., candidates of no party) in favor of Republicans and Democrats. Some even do not allow, absolutely, an independent to run for President, even when they allow independents to run for their town, county, and state-wide offices! The states which discriminate, and in

which suits are being brought by McCarthy or other independents are the following:

Illinois	Nevada
Delaware	New Mexico
Florida	Texas
Idaho	Michigan
Nebraska	Utah

The attorney general of Kansas has already admitted the validity of the points raised by McCarthy's lawyers, on the simple basis that the state laws were so clearly unfair to independents, that the cases should not even be brought before the judges. In a case that *did reach* the courts, the Oklahoma Supreme Court did rule that to be consistent with its other laws, Oklahoma should allow McCarthy to be on its presidential ballot this fall.

Other McCarthy challenges have been in Iowa, where the Attorney General arbitrarily raised the number of signatures required to get on the ballot. He backed down under pressure. In Maryland a too-early deadline (March) is being challenged (what if the Democrats and Republicans had to name their candidates then?) In Massachusetts the simple validity of the signatures submitted was challenged by local Democratic officials and the independents are going to court to uphold them. In Missouri an earlier deadline is being challenged by Independents after Republican Attorney General John Danforth rejected the McCarthy signatures as being too late.

UNSUNG HEROES

McCarthy's challenge to unfair state laws has been joined, or indirectly helped, in some states by the ACLU, by volunteer lawyers who want to help keep the political process open, by other parties such as the Libertarians or the Socialist Workers who also want to get on the ballot. These challenges, plus the McCarthy-Buckley challenge of the Federal Election Law, which went to the Supreme Court, have **already changed**, and have kept *somewhat open*, the election laws which govern the 1976 election, and the elections of 1980, 1984, 1988. All these challenges have helped keep American Democracy from being **completely** dominated by the Republicans and Democrats.

WAIT TILL 1980

But win, lose or draw in 1976, *the base for 1980 has already been expanded by McCarthy's campaign*. If McCarthy does anywhere near as well as present polls indicate, he will have transformed the nature of the campaign and the Administration over the next four years. Here's how:

Campaign: A vigorous McCarthy effort will move political debate to the left. Without a candidate to the left, the pragmatists in Carter's campaign will see to it that their candidate stays dead center or moves to the right to seize votes from the Republicans. The *Schweiker logic*, which showed even ideologue Reagan moving sharply to the left to win the nomination, also dictated the Carter choice of a Vice-Presidential nominee: Mondale of Minnesota. There is truth in the joke making the rounds in Washington:

QUESTION: "Why did Reagan pick Schweiker?"

ANSWER: "Mondale was already taken."

Administration: In addition to affecting the Vice-Presidency (and thus Presidential succession), the McCarthy campaign holds out the promise of shaping the political views of the next Administration. Nixon's narrow victory over Humphrey, by all poll soundings taken at the time, *would have been a landslide* if Wallace had not run a third party effort in 1968.

Nixon never forgot the "lesson" taught by Wallace and spent his entire Administration trying to win these alienated conservative voters back into the Republican column.

ITEM: "Benign Neglect" of Blacks

ITEM: "Anti-School Busing" policy of Nixon-Ford Southern Strategy

ITEM: "The Emerging Republican Majority," "Sunbelt Politics."

A strong McCarthy bid — especially if Carter is threatened in key states — may force the candidate to make commitments he will have to honor in his administration.

CONCLUSION: *Liberals within the Democratic Party*, as well as independents, have much to gain from the McCarthy independent bid. It's a chance to redress defeat of such liberals as Udali, Church and Fred Harris of Oklahoma by forcing Carter leftward.

Even by November the shape of the next Administration can be altered, regardless of the electoral outcome. Carter must be kept running scared on his left-flank.

MCCARTHY'S POSITION ON ISSUES

Where Eugene McCarthy and his Committee for a Constitutional Presidency stands on the issues is therefore of high interest to independents and Liberals. These are the postures which Carter will be responding to in coming months. These, indeed, may be the "revised" platform for the Democratic party by November if McCarthy continues to hold firm in the polls or starts to gain ground in key states:

DEFENSE: McCarthy has suggested renaming the Defense Department the *War Department*. He believes that "There are two things wrong with calling the military the Department of Defense. First, it is dishonest. The second thing is that it encourages a mentality which is open ended as to commitment. Our military forces today are charged with the responsibility of defending this country as well as others against all enemies—foreign and domestic, present and future, real and imagined—without clear definition of who the enemy is, where he is, or what he is." (*The Hard Years*, Viking, 1975)

McCarthy believes the military have taken "a bum rap" for the sins of America's civilian leaders: "The principle failures in the war in Vietnam were not military failures. They were failures by civilian leaders of this country to determine policy, to give direction and set limits, to take the diplomatic action necessary to bring the war to an end, and to act responsibly without regard for what such an ending might be called—defeat, surrender, victory or stalemate. War should be, if war must be, an extension of politics, as Clausewitz explained. Politics or international policy should not become an extension of war or military power. Yet it has become something very close to that for us, not only in Vietnam but also in other areas of our international concern." (*Ibid*, 1975)

McCarthy believes America has failed in its obligations to its soldiers:

"Much has been said throughout history about the responsibility of the

soldier to the state. A tradition that goes back at least to the Greeks demands his loyalty, commitment to the nation's cause, obedience and discipline."

"Too little has been said about the responsibility of the state to the soldier. This goes beyond the obligation for the soldier's welfare if he is wounded or when he retires. It goes beyond the obligation for the care and support of his dependents. The state has a *more fundamental obligation to look to the justice and wisdom of the cause in which the soldier is committed.*" (*Ibid*, 1975, emphasis added.)

McCarthy as President would not, as some have accused, "gut the military" but revitalize it. McCarthy is the only candidate offering a review of the purposes and role of the military in American life.

THE VICE PRESIDENCY: McCarthy would have none of the chatter about "giving new meaning" to the Vice-Presidency as has been the vogue in recent decades. His ideal is Alben Barkley:

"He was not Truman's assistant President. His relations with the Senate were excellent. His influence was strong, though he made no claim to special power or privilege. His public image was one of repose and restraint. His partisanship was always pleasant and minimal. There was no talk during his term of giving "new meaning" to the office. It was accepted that, had the emergency arisen, he could have become an entirely satisfactory President."

McCarthy argues that the Vice-Presidency is a sufficient burden in itself. No new duties or prestigious assignments need be given the office. McCarthy believes the President should *not* use his choice of Vice-Presidential running mate to "balance the ticket" either geographically or ethnically. He argues that the Vice-President should:

"... be treated much as a crown prince is treated in a monarchy. He should be trained in the arts of government. He should not be used in the temporary and transient affairs of the government. He should be protected from partisan strife."

McCarthy quotes Jefferson approvingly on this question: "The second

office of the government is honorable and easy." It would give him, Jefferson said, "philosophical evenings in the winter, and rural days in summer."

The way recent Presidents—Kennedy, Johnson, Nixon and Ford—have treated their Vice-Presidents could not contrast more with this conception of the office. Jimmy Carter's choice of Mondale and Mondale's current role in the campaign indicate the potential educative value McCarthy's candidacy could give to the next incumbent who holds that office, whoever he turns out to be.

THE CENTRAL INTELLIGENCE AGENCY

Both Ford and Carter, while denouncing "excesses" of the CIA revealed in Congressional investigations, appear to accept the basic premises on which the agency is founded. They appear to believe that national security requires a super-secret agency with extraordinary powers to act out the fantastic plots and schemes that from time to time have been offered as solutions to problems posed by having foreign relations with obstreperous leaders overseas.

Carter has promised to "take personal responsibility" for oversight of the CIA. McCarthy's comment: "that's what Nixon did." McCarthy, unlike Nixon, Ford and now Carter, offers an analysis of why the CIA will *always be a danger to free government*:

"The Inner Ring of the CIA—or any intelligence agency—is privileged. Individual responsibility is limited by the oath of loyalty to the agency. Individual conscience is eased by the belief that the goal of the agency is a good one. The anonymity of service in the agency becomes a habit. It is a rejection of name, reward and recognition. When such self sacrifice is added to a noble goal, doing the wrong things for the right reasons becomes easier all the time. Finally, the process itself may become the end."

Service in the CIA might also be described as a kind of secular monasticism, in that the individual takes a vow of obedience and is then not entirely responsible for his own actions. Though monasticism never relieved the individual of all personal

responsibility, the CIA appears to do that for many people."

McCarthy also argues forcefully that other agencies find the CIA convenient to use whenever something questionable is considered by public officials. "If," McCarthy states, "there are things to be done that the State Department cannot do, they say 'Let the CIA do it.' Then, if something strange happens and members of Congress question it, they can be told 'The CIA did it.'" McCarthy rightly points out that the *existence* of the CIA in its present form *creates* most of the problems which investigative disclosures have revealed.

GOVERNMENT EFFICIENCY

Both Ford and Carter promise a "more efficient" government. Ford's promises go back to the Republican platforms of the nineteen-twenties — basically he is promising to cut back social programs and services. Carter's proposed reorganization of the government takes a different tack — a tack that suggests that the nation's problems with bureaucracy arise because of the absolute *number* of Federal agencies. Carter promises to consolidate these agencies into 200 conglomerates having the same functions.

McCarthy takes a different view:

"Hitler or Mussolini could have reorganized one of our state governments and made it very efficient. Hitler had a good domestic record you know. So did Mussolini."

CORPORATIONS: Both Carter and Ford are foursquare for American business. Ford, coming as he does from the conservative traditional wing

of the Republican Party, confuses business interests with the national interest. To him profit rates are more important than unemployment or unfair taxes. Carter, by the same token, takes the traditional view articulated by FDR: government should police and regulate business in order to preserve and promote business interests and to forestall more radical surgery on the economic system.

McCarthy's views part sharply with both of the major parties:

"... the corporation has developed into a separate center of power. It is one which was not anticipated by or provided for in the Constitution. It is one which has not been subject to the general laws dealing with business and financial practices. And it is one which has assumed functions that go far beyond its original economic purposes."

McCarthy does not, however, favor abolishing the present economic system entirely:

"I think the concept of the corporation still has validity but that it must be constantly judged on performance. There are several things we can and must do in the area of corporate reform. First we must assure greater freedom for corporation employees. One way to give people more freedom is to reduce risk through greater protection in unemployment and health benefits. Second, we must make corporations operate within the law. The most obvious laws — ones with reference to price fixing and pollution, for example — can and should be enforced. Continued exploitation of migrant workers should not be tolerated. In some cases it can

be ended by enforcing existing laws; but where existing laws are inadequate, it would be naive to expect even a corporation of some good will to move very far ahead of its competitors.

Third, we must impose upon corporations certain social responsibilities in exchange for their social privileges of limited liability and favorable tax rates."

McCarthy's views of "social responsibility" are probably different from Madison Avenue's. McCarthy means that when economic conditions are bad, working hours should be reduced and companies *compelled* to spread the work being done among all workers willing to work. As he puts it:

"We have not done anything to spread work since the Fair Labor Standards Act of 1938 and amendments to it established the eight hour day, forty hour week, and fifty week year. We have had thirty years of progress in technology... yet the standard for working time remains the same."

CONCLUSION: If Jimmy Carter and Gerald Ford have to confront Eugene McCarthy on the hustings this fall, all voters will benefit. Neither a vote nor work for McCarthy will be "wasted" — as partisans of the vested Two-Party Systems interests would have one believe. Instead, working for an Independent like McCarthy this fall makes good political sense. It can help shift the level of debate towards positions more responsive to the emerging views of independent voters and it can prepare the way for future legal and political challenges to "business as usual" politics in America.

— John Boyles

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EMPTY POLLING BOOTHS?

WASHINGTON, D.C.—Pollsters Peter Hart and George Gallup report that a majority of the nation's registered voters *may not show up at the polls on November 2nd*. It's not surprising—neither Ford nor Carter has convinced the public that anything important is being decided, or that choosing either one of them would justify the effort spent to cast a vote.

Fear by the majority parties of voter lack of interest in them is behind the present conspiracy to deny Eugene McCarthy access to the TV screens, the federal treasury and the ballot itself. McCarthy has had to claw his way onto the ballot in many states through the courts, tying up his precious campaign funds. The two major parties clearly do not want any alternative candidates on the ballot. Given voter disenchantment it is easy to see why.

The Hart poll, conducted on behalf of the new Committee for the Study of the American Electorate predicts that at least 70 million American voters will not bother to show up this year. The Gallup survey found that only 49 percent of the electorate expressed significant interest in the election outcome, and suggested the possibility that "nonvoters will out number voters in the November election."

THE NON-VOTERS

Gallup found the Democrats falling behind the G.O.P. in registrations: his survey found 81 percent of the Republicans registered compared to only 75 percent of the Democrats. Registration by age group revealed a significant pattern:

- less than half the voters under 30 were registered in either party
- 28 percent of the voters aged 30-49 were unregistered
- 15 percent of the over-50 population were unregistered

Hart's poll findings parallel those of Gallup: younger voters are less likely to vote than their elders this fall. Hart also asked his sample of nonvoters to reveal their *reasons* for nonparticipation. Here is what Hart found:

- most nonvoters expressed little confidence in Washington, the government, the news media and other American institutions.

- more than half of the nonvoters stated that they did not participate because they did not like any of the candidates.

- nearly nine out of ten (87 percent) of the nonvoting population said the country needs "a few courageous, tireless, devoted leaders in whom the people can put their faith."

- 63 percent of the nonvoters said they feel the government in Washington is run by the "big interests."

- only 13 percent of the nonvoters had any real confidence in the Republicans and Democrats. The two major parties received a lower confidence rating than any other major American institution.

- when asked their "most important reason" for not voting, 68 percent of those surveyed said that candidates "say one thing and do another."

A LOST GENERATION OF VOTERS?

The last Presidential election in which less than half the voters turned

out was the 1924 race when Calvin Coolidge defeated John W. Davis. For the next half century the turnout floated at levels between 51 and 63 percent. The highpoint in voter turnout was the 1960 Kennedy-Nixon race when 62.8 percent of all eligible Americans cast ballots. Turnout has been falling steadily since then, dropping to 55.4 percent in the Nixon-McGovern race in 1972.

Hart suggest, in a published analysis of his own poll findings, that the present post-World War II "baby boom" generation may be a *lost generation* of voters: "... it may be that this younger generation is undergoing a change of values in which non-voting will be the accepted norm."

Non-participation — "dropping out" of the political process — should come as no surprise. Our present system of rotating control of the government between two semi-legal and essentially private organizations — the Republicans and the Democrats — has been in political receivership since John Kennedy's assassination in 1963. The anomalous regime of Gerry Ford (America's first appointed President) is symbolically appropriate to the national disenchantment with the present method of political participation.

THERE COULD BE NO WINNER ON NOVEMBER 2ND

If, as seems likely, less than half of the voters decide to participate this time around, the legal "winner" will be denied the fruits of victory — a *mandate to govern*. Jimmy Carter and Gerry Ford are victims as well as

beneficiaries of the present "stacked deck" political party system. If either man takes office after a desultory turnout, neither the electorate nor the next President will have the sense that the victor is *actually the choice of the American people*. Reason: they were actually chosen by the Two-Party "System."

More than 60 years ago, Moisei Ostrogorski (see inset) observed that the party system was corrupting and subverting the hopes for a democratic system of government.

Ostrogorski argued, after 20 years observation of the political system in both England and the United States, that political parties:

1. Added an essentially unregulated procedural mechanism outside the framework of constitutional government.

2. Co-opted citizen participation — the essence of democracy — substituting instead, a kind of ritual of participation in the form of voting for a party without a serious personal investigation of the issues by the individual voter.

3. Transferred control of the government from the electorate as a whole to private organizations which operated an extra-legal (but very formal) system for choosing candidates for office — a system which operated to exclude new parties or independent candidacies.

4. The consequence of the political party system, as Ostrogorski saw it, was *mediocre political leaders*, lack of public spirit, the weakening of the action of the laws, and demoralization of the citizens.

As Ostrogorski put it, in 1902, "[the party] system could only produce effects which were the negation of democracy. Incapable of realizing its essence, the system reduced political relations to an external conformity, which warped their moral spring and ended by enslaving the mind of the citizens and opening the door to corruption. In calling each individual to the dignity of citizen, democracy had laid upon him the duty of exercising his judgement and keeping his conscience on the alert. *The system of stereotyped political parties diverted him from the fulfillment of this duty.*

"It offered him a criterion of political good and evil, the purely formal character of which made its application automatic and dispensed with the necessity of personal effort. . . . The convention of party, embodied in the stereotyped organizations, put before the citizens not only the pretexts, but a sort of imperative; "regularity" made personal remissness [substituting party loyalty for personal analysis of the issues and the candidates] a virtue, and adhesion to the party a fetish-like worship, which reduced the duties of citizen to a ritual performance."

(*Democracy and the Organization of Political Parties*, M. Ostrogorski, 1910, *emphasis added*.)

LEGALIZING THE PARTY SYSTEM

The enthronement of the Democrats and Republicans as the "official" U.S. parties, precisely when public support for them was disappearing, is no coincidence:

"It is not coincidental, as the Marxists like to say, that law and public policy should try to enthrone the two parties and insulate them from challenge at just the moment that the people's affection for them is at its lowest in years. Thus, the Democrats and Republicans come to the government trough for \$21 million each to pursue the campaign from the nomination to November, on top of the \$24,100,299 already distributed by the Federal Elections Commission to the various pre-convention aspirants, who had to abide by the \$1000 maximum for individual contributors." (*The New*

Republic, September 25, 1976)

It almost seems that Ostrogorski, in 1902, wrote in advance the script for 1976:

"[political parties] laid on the whole procedure which prepares and determines elections. To control the action of the citizens during this preliminary electoral phase, a very complicated machinery was created, which formed a pendant to the constitutional mechanism. . . . But the more fully [parties] extended in public life the more [they] degraded it. [The State] "legalized" the primaries and the party conventions by associating the public authority with them. . . . As the State omitted to eliminate the representatives of the parties and accepted their organization as a basis for action, [the parties] remained masters of the situation."

Put concretely, it is the Republican and Democratic parties which have thrown obstacle after obstacle into the path of non-party candidates like McCarthy. The obstacles have been as formidable as they have been numerous:

- filing deadlines set as much as a year before the election
- arbitrarily large numbers of signatures required on the ballot petition
- unreasonable practices to certify signatures
- special rules for nominating conventions which do not apply to major parties

LIBERTARIANS FEEL THE PINCH

Ed Crane, the national director of the Libertarian Party cited, what on the face of it, appears to be the most blatant example of party bias in Ford's home state of Michigan.

Michigan attempted to disallow the Libertarians a spot on the ballot after the party had qualified by obtaining 25,000 valid signatures. The Michigan legislature then passed a new law requiring a special primary election for so-called "minor" parties. To obtain ballot status under the new law, independent parties must obtain votes from a fixed percentage of the total electorate.

The courts have upheld the new Michigan law, but ruled in favor of placing the Libertarians on the ballot since they met the requirements of the old law.

WHO WAS MOISEI OSTROGORSKI?

M. Ostrogorski, quoted extensively in this issue of *Washington Watch*, was born in Grodno, Russia, in 1854. Trained as a lawyer, he studied political science under Emil Boutmy in Paris, winning a prize for a study of women's rights from the Paris Faculty of Law in 1892.

He studied the political party system in England and the United States in the 1880s and 1890s, publishing his major work, "Democracy and the Organization of Political Parties" in 1902. The version quoted in this issue was published in 1910.

THE DEBATE QUESTION

Another way the established parties have stacked the deck has been the way the TV debates were set up deliberately to exclude McCarthy and other independents. Not only do the Republicans and Democrats have millions of dollars of taxpayer's money to use to purchase TV time — they also have access, through the subterfuge of a 'bonafide' news event, to millions of dollars of TV time. To understand, as one example of the preferential access to the public's attention given to the two parties, one need only look at the ruling by the Internal Revenue Service allowing *tax deductible* contributions to the League of Women Voters to finance the debate.

MC CARTHY'S CONTRIBUTION

The effort by Eugene McCarthy to challenge unfair election laws has already contributed to future independent races for office — a contribution which may, in retrospect, be the most important development of the 1976 election.

Paul Blackman suggests in his Heritage Foundation study analyzing state election laws that:

"there is talk of this being a period of realignment of the major parties, with the third parties foreshadowing a breakdown of the coalitions that have made up the Democratic and Republican parties for several decades. It is even suggested that we are entering a period when major parties have lost their ability to meet economic, ideological and social changes and that at least one of the parties will be replaced, as in the 1848-1860 period in which the Republican party emerged after fitful starts and different organizations from the ashes of the Whig party to become a major party."

After the fallout of this volatile electoral period settles, the McCarthy campaign will be viewed as having been a precursor of the new political forces which will emerge to replace the present party system.

A concrete achievement of the McCarthy campaign has been the overturning of unfair election laws in eleven states (as of the filing date of McCarthy's suit to restrain the TV debates):

Delaware — prohibition of indepen-

dent candidacy has been overturned.

Florida — prohibition of independents on ballot declared unconstitutional.

Illinois — law prohibiting independent candidacy found unconstitutional.

Kansas — law forbidding independent candidacy found unconstitutional.

Michigan — three-judge court decision found prohibition of independent candidacy unconstitutional.

Nebraska — Federal court found prohibition of independent candidacy unconstitutional.

Oklahoma — courts struck down prohibition of independent candidacy.

Texas — prohibition of independent candidacy declared unconstitutional.

Washington — requirement for a convention dropped under legal pressure.

DEFECTS OF DEMOCRACY

"The chief of these defects, such as the general mediocrity [of its leaders], the influence of demagogues, the want of public spirit, the weakening of the action of the laws, either arise from the fundamental cowardice of the rulers and the ruled or are but aspects of it. It is all very well for [democracy] to enhance the dignity of the humble citizen by bestowing political equality on him; the feeling of general dependence which it diffuses, demoralizes every public man, produces in the long run, a moral decline, and tends to make cowardice a principle of government. How is this tendency to be checked? That is one of the cardinal problems of democracy." M. Ostrogorski. *op. cit.*

These restrictions on the right of the voter to choose whom he will vote for by restricting access to the ballot are ample testimony to the reality of the special privileges enjoyed by the Democrats and Republicans. *The invisible voter of 1976, unwilling to participate now, is the major beneficiary of the McCarthy candidacy: the base has been established for his future participation in a more open political system.*

ABOLISH THE PARTIES?

Clearly the present party system represents a triumph of survival of organization over articulation of principle. Once established, the parties tend to try to perpetuate themselves long after the passions which fired the founding of the party have grown cold. One approach, suggested clearly in the form of the McCarthy campaign, is to create temporary organizations for one campaign.

If the McCarthy campaign becomes a model for the future, after the demise of the present parties, most of the problems posed by party government would disappear:

- to win the Presidency, a temporary campaign organization would have to focus on issues to gain converts.

- freed of the requirement for an omnibus program, temporary coalitions could focus on specific issues of the day. Voters would then have a chance to hear a real debate on the substance of particular issues. As it is now, Presidential candidates of the major parties spend an inordinate amount of time defending or excusing platform positions which are not really their own.

- elected the champion of a cause, or a group of specified causes, a legislator or a President could find himself in closer contact with his constituents and *far more responsible to them*. They would have a clearer expectation of his probable stance on major questions.

- elected officials would no longer be able to hide behind the label of his party. He or she would be judged by his own merits or shortcomings.

CONCLUSION

The projections forecasting a record low turnout on election day, combined with the decision of the major parties to opt for federal financing of their campaigns, are related events. Support for the two-party system has evaporated to the extent that the G.O.P. and the Democratic Party probably could not survive without welfare payments, the federal hand-outs they often decry when supporting individuals.

Eugene McCarthy's independent campaign, on the other hand, is a

forecast of things to come. The combined forces of voter apathy and legal challenges to the antiquated system of rotating two-party rule are already bringing down the existing party system.

Presidential campaigns of the future will look back on 1976 as a watershed. The dry wit and ironic intelligence of Eugene McCarthy will stand out all the more clearly, highlighted as it is by the mediocrity offered up by the obsolete hegemony of the two-party system.

But, by more than wit, McCarthy will have contributed substantially to the restructuring of the present stagnating system into a new form—one in which independent voices and new positions will still be heard and stated within an open, and still democratic political system.

THE ANTI-INDEPENDENT CONSPIRACY

What follows is a special *Washington Watch* interview with the McCarthy campaign's petition drive director, Mary Meehan, about the practical and legal roadblocks which have been placed in the path of independent candidates in the various states. Many of these obstacles would not have been uncovered and eliminated had Senator McCarthy not run and then challenged them legally.

WW: Having now completed your petition drive to get on the ballot, what do you think of the whole process? How about the fairness of the laws and regulations in the individual states?

MM: There is, we have discovered, no consistent pattern. The states are a maze of laws, many of which are arbitrary and discriminatory. There is

no overall system, and this makes it very difficult to mount a national campaign. What I mean is that a national organizer has to learn 50 different state laws.

WW: What are some examples?

MM: Well, for example, about 14 states require that each petition sheet be signed by the circulator in the presence of a notary public. This is a real logistical problem that requires an inordinate amount of money and time when state signature requirements are very high. Three states, Utah, Indiana, and Vermont, require that *each petition signature* be notarized. This wasn't a great problem in Utah where we needed just 300 signatures and had a volunteer who happened to be a notary already. He just trailed along behind the petitioners—witnessing and signing. But Indiana required 8,500 signatures and that was an insurmountable difficulty.

WW: Any other impediments?

MM: Yes, the states say, "Go out and get signatures," and when we go to places where people gather in public so that we can get those signatures, we find court decisions which work against doing just that. That is, there are private-property restrictions against political activity, particularly in shopping centers and malls. Many of them don't allow petitioning of any kind, and we've had lots of volunteers thrown out of the centers. One Supreme Court case, *Lloyd Corporation v. Tanner*, decided in 1972, ruled that a shopping center could bar leafleting because, even though it was open to the public, it was not a public place in that sense, but was privately owned and therefore able to keep out

leafleters. But even in that case, the shopping center denied its use for political purposes generally, "except that presidential candidates of both parties have been allowed to speak in the auditorium."

WW: Only "both" parties, not "all" parties or "all" candidates?

MM: Right, and the manager of that shopping center, as quoted in that case, said: "We do that for one reason and that is great public interest. It brings a great many people to Lloyd Center who may shop before they leave."

WW: So, in other words, the courts let people look at a presidential candidate but not sign a petition for one.

MM: Right, and it's been true of churches and schools, too. The University of Kentucky wouldn't allow our petitioners inside any of its buildings, except at the student union at a special table in only one specific place. And, at the time, the weather was very rainy; it made petitioning there almost impossible.

WW: It would be as though there were laws that said you had to vote outside of public buildings, right.

MM: Not as many people would choose to vote that way!

WW: Aren't many of the states unreasonable in requiring ward and precinct designations from signers?

MM: In many places, you have to gather by city or by county on one single petitioning sheet. This means that an individual petitioner has to carry a large number of sheets, and this slows down the petitioning.

— John Boyles

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EMPTY POLLING BOOTHS?

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THE WINNING McCARTHY CAMPAIGN

WASHINGTON, D.C. — The untold story of this fall's election campaign: That while Ford and Carter have both been fumbling around **trying to lose** their respective campaigns Gene McCarthy has been winning almost every legal and Constitutional battle he's been fighting, and putting up a valiant effort in the few he lost. Unnoticed by hotshot legal reporter Fred Graham of CBS, by supposed legal reporter Jack MacKenzie of the *Washington Post*, and by the rest of the national press, the Independent legal forces of Gene McCarthy across the country have been winning their fights to get on the November 2 ballot as an independent, have set the course of legal decisions for years to come, have kept the election process at least minimally open for independents and new party candidates to take a crack at the Rep-Dem party establishment in 1978 congressional elections and beyond — and at the Presidency in 1980, 1984, 1988.

ARMORED ATTACK

McCarthy's legal forces, under the direction of young activist attorney John Armor, chief legal counsel, have been striking down statute after statute, in state after state, designed to keep independents and "other" party candidates (why should they be so often referred to as "third" parties?) off state ballots. Generally the actions, which Armor and his forces had to bring to get McCarthy on the ballot, fell into three classes:

- State laws which denied or limited the right of an independent to run for President, even when other independents could run for office within the state. About 15 states had laws which

attempted this.

- State laws establishing *early filing dates* for independent candidates or short time periods in which petition signatures had to be gathered, requirements the Republican and Democratic parties didn't have to meet.

- *Technical requirements* which were unreasonable or unnecessary regarding signatures and the signing of petitions, e.g., the notarizing of each petition signature; the listing of precinct numbers, voter registration card numbers, etc.; restricting signers of a single petition sheet to be from a single county or judicial district, or even from a single town or township.

A FREE RIGHT TO RUN FOR PRESIDENT?

Every American child has been raised with the admonition, whether realistic or not, that "everyone can grow up to be President." Like other American myths — that saying wasn't quite true — until Gene McCarthy and John Armor began sweeping the legal decks to give those who didn't want to run for President with a party label a *real* chance to run. Of 13 states with prohibitions against independents, eight were challenged successfully so that McCarthy, and perhaps those independents to follow him, will be on the ballot. The eleven states are: Delaware, Florida (Federal Court ruled that law was so patently unfair and unconstitutional here that they ordered immediate ballot placement for McCarthy without any petition requirement at all), Illinois (consent decree along with suit in which the state law was held unconstitutional), Kansas, Michigan, Nebraska, Oklahoma, Texas

(case went to United States Supreme Court which ordered state to put McCarthy on ballot) and Utah.

UNCONSTITUTIONAL AND ARBITRARY

Many state laws were deliberately designed to hinder independents and other parties from getting on the ballot. One of the requirements to sign a petition in **California** is that the person signing states that "I intend to support for election the candidates named herein." This is clearly unconstitutional and is being challenged in California by the McCarthy legal counsel there, Jonathon Wilcox. This requirement, which violates the secrecy of the ballot, was also part of the petition in New Jersey where McCarthy is now on the ballot.

In **Connecticut**, volunteers had to have themselves certified, go out and get their signatures, and go back to the clerk's office to have the signatures certified.

In **Missouri**, the Secretary of State's office set a deadline of July 31 for gathering signatures (this was certified by letter); then, in early July itself, the Attorney General, John Danforth, claimed that the deadline had been in April. The courts ruled McCarthy onto the ballot there.

TRYING TO TKO McCARTHY

Several major states try to knock out candidates by using technicalities which make it difficult to gather signatures.

Massachusetts required filing separate petitions by city and township. Here McCarthy legal forces brought action to prove that they had filed

enough signatures. Courts put McCarthy on the ballot there.

New York State requires that assembly district and election district numbers accompany each signer's signature. Do you carry your voter registration card? Do you know what C.D. (congressional district) or precinct or ward or election district you live in?

Indiana required 9000 petition signatures, but required them to be notarized. This made petitioning too difficult and McCarthy was not able to make it onto the ballot.

THE PRICE OF SAVING THE CONSTITUTION

Washington Watch asked the McCarthy staff's senior Political Analyst, Dr. John Rogard Tabori, what the end result of all the legal and petition requirement difficulties was for the effectiveness of the McCarthy campaign. His reply: "The legal questions, particularly the Constitutional ones, are obviously very important *but*, they have also detracted from the essential purpose of the electoral process itself, which is to present *issues* to the public and to make that very important decision as to who will be the President of the United States."

THE McCARTHY PROGRAM

The important issues which Eugene McCarthy is trying to present to the public have not been generally reported by the media, especially the national media. Ford and Carter haven't added to the national discussion of issues. Their party platforms aren't their own or are bland reflections of some of their thoughts. Actual campaigning has produced little real discussion of issues. Debates themselves have shown how shallow the Republican and Democratic candidates are. It seems that *Polls* and *Playboy* are the issues they're most interested in.

Therefore, *Washington Watch* publishes here some of the issues Eugene McCarthy is presenting. Compare them with those of Ford and Carter. We believe the McCarthy positions show a more coherent vision for the course of this country as it moves into its third century.

REORGANIZATION OF GOVERNMENT

The Executive Branch of the Federal Government should be reorga-

nized into five departments. These should be:

COMMERCE

Would include agricultural marketing, transportation, the banking regulatory agencies, postal services, housing and labor. A prospective appointee to head this department would be Samuel Shoen of Phoenix, Arizona, President of the U-Haul Company.

RESOURCES

Would include energy, agricultural production (not marketing), forestry, mines and minerals. There would be no separate department of energy since energy supplies, needs and use must be part of a general resources policy. The new department would combine the present Interior Department and part of the Agriculture Department. Former Secretary of the Interior Walter J. Hickel of Alaska would be the Secretary of this department.

FOREIGN AFFAIRS

To include the operations of the present State and Defense Departments. Terry Sanford, former Governor of North Carolina would be a prospective appointee to head the department.

JUSTICE

Would include present jurisdiction of department with additional responsibility in handling tax cases. Kevin H. White, Mayor of Boston, Massachusetts, would be named as Attorney General.

FINANCE

To include present Treasury Department with additional responsibility in the area of taxation. Howard Stein, President of the Dreyfus Fund, New York City, would be a prospective appointee to head this department.

GENERAL LIMITATION ON EXECUTIVE BRANCH

The number of independent executive offices which are self-contained and can be operated outside normal channels would be limited to those principally concerned with state, local and federal government relations.

SUPREME COURT APPOINTMENTS

Two potential nominees to the United States Supreme Court would be David Riesman, professor of social relations at Harvard University, Cambridge, Massachusetts, and Herbert Reid, professor of law at Howard University, Washington.

UNEMPLOYMENT AND POVERTY

The four major problems of the American economy today are: (1) Jobs, (2) Inflation, (3) Fiscal crises of the American cities, and (4) Taxes.

The false prosperity of the 1960's has given way to the economic disasters of the 1970's. In 1968, at the height of the Vietnam War, the unemployment rate had shot up to 8.5%. Presently, it is at 7.8%.

Since the fall of 1974, between 7.8 and 8.5 million Americans have been rather consistently without work, and without a source of income. This unemployment crisis is also reflected in the statistics on poverty. After a period of almost continuous decline, the percentage of the population below the poverty level has risen to 12.3%. This rise in unemployment and poverty has put enormous pressures on the entire social welfare system.

Thus, poverty and unemployment are becoming almost institutionalized in this country. After each recession, there is increased willingness to accept a new, and higher, rate of unemployment. At one time a four percent unemployment rate was considered unacceptable. Now, economists suggest that a rate of 6% is "tolerable."

The question to be raised is: "Tolerable to whom?" It may be tolerable to the economists, to employers, to the government, and to those with jobs. However, it is not tolerable to those who are unemployed, and it should not be tolerated by the people of this country.

The problems of those who are unemployed - and there are over seven million Americans out of jobs - cannot be solved by merely extending unemployment compensation or by creating public service jobs which depend on uncertain congressional grants. The American economy has changed since the 8-hour day and the 40-hour week were adopted as national standards over 30 years ago.

Thus, the solution to unemployment is to redistribute work. This should be done by shortening the work year. As more jobs opened up and unemployment went down - poverty levels would go down. The result would be that far less money would be needed for welfare programs and for unemployment compensation and pressures on community, state, and federal treasuries would be reduced accordingly.

JUSTICE AND CIVIL LIBERTIES

The revelations of abuses of power and privacy in 1975 and 1976 by the Internal Revenue Service, the FBI and the CIA should not come as a surprise to anyone who has observed even public actions and professions of these agencies over the years. Many members of Congress—both Republican and Democrat—ignored evidence of abuses so long as these agencies seemed, in public at least, to be effective in their work and so long as the officials in charge seemed sincere.

However, the Constitution and the Bill of Rights provide harder tests than mere effectiveness or sincerity. For example, when the Bill of Rights was adopted, the right of privacy meant that a warrant must be obtained to search someone's house and that the government could not physically place its agents, that is, "quarter its troops" in the homes of its citizens. Today, that right of privacy is threatened by a complicated technology of intrusion and spying. Both government and private agencies violate the privacy of home and office by wiretapping and bugging which are, in their own way, physical intrusions. Questions must also be raised about the security and secrecy of personal and private information controlled by government agencies such as the IRS and the Social Security Administration. The same questions must be asked of quasi-public institutions such as banks and telephone companies and even of private corporations.

In the early days of the Republic, freedom of speech and press meant the right to say something in a public square or to put out a newspaper or pamphlet. Now it should deal with government censorship and control of information, and with the concentration of control and actual viewpoint of newspapers and of broadcast media.

Freedom of assembly in 1776 related to simple meetings. In 1976, it must deal with rights of union picketers, rights of demonstrators, and even the rights of those assembled in private groups and meetings.

The questions raised about the status of civil liberties move into the area of the general administration of justice itself. The current record suggests we have a long way to go. The ancient Romans were more honest than we. They admitted that they had

two systems of justice. We say that we have one, but in fact we do not. We have a least five different systems of justice.

The first is the ideal one, the one which we like to talk about. It is the formal one in which constitutional guarantees are recognized and duly administered. It does exist however only for some Americans.

There is a second system which operates for those outside the first. It operates for the poor, for minorities, for the younger people, and for those who challenge established positions and political parties.

The third system of justice is applied to those who administer justice in the first and second systems. It was applied to the IRS officials and FBI agents and to certain judges. It was applied to Chicago policemen in 1968 and to Mississippi police and Ohio national guardsmen in 1970 after the shootings at Jackson State and Kent State. Its operating principle seems to be that justice is different for those who act in the name of the state than for other persons.

EUGENE McCARTHY

*The clear, plaintive song
of right over wrong
Goes unheeded, unheard;
the masses unstirred
By a soaring grey swallow
gliding high 'bove the hollow,
O'er the bombastic shellbursts
of proven non-worth
From battalions of others
who'd disown as their brothers
Those who would listen
for the flutter of wings,
And heed the sane wisdom
which the grey swallow brings.*

*We all have the choice
to help make heard the voice
Or remain, our ears deafened
by fear; vision lessened.
The grey swallow soars,
yet his fate affects yours:
For in the White House he'll land
if but you'll so command.*

Remember November.

By Ed Rosenback
August 7, 1976

The fourth system of justice is that of our military establishment. It has many of the same contradictions and inequities found in the civilian order. It punished only a lieutenant for the massacre at My Lai. It allows physical abuse in marine training by not punishing or punishing lightly those officers who break regulations.

The fifth system seems to apply to those of high political or governmental office. Presidents and Vice-Presidents are treated almost as though they had committed no crimes. Heads of the CIA are absolved because they say they merely followed Presidential orders, a defense which was not allowed German officials at Nuremberg.

This seems to be the present state of justice in America. We have two choices. We can accept, as the Romans did, that justice is a different thing for different kinds of people. Or we can move toward a single system of justice which will apply to all Americans. This is not simply an insistence on the equal application of the laws and regulations of the land. Rather, it is an insistence that everyone in our society be treated finally and most completely as a person.

MILITARY POLICY

A nation's military policy should be an extension of its foreign policy. The reverse has been the case in the United States for over twenty years. Over-reliance on military power has led to use of American armed forces in areas where diplomacy could have secured better results. It has also led to unrestrained growth of military technology and a military budget which is well over \$100 billion and still rising.

The United States has a stockpile of nuclear weapons equivalent to 615,385 bombs of the kind that devastated Hiroshima in 1945. Yet we produce more nuclear bombs each day.

It is naive to think that nuclear war can be avoided if the great powers continue to escalate the nuclear arms race. And it is irresponsible to speak casually of "first strike options" when a first strike would be, for all practical purposes, a last strike.

The United States should take the following initiatives to end the nuclear arms race:

1. Halt our production of nuclear bombs.

2. Through negotiations with the Soviet Union, agree to halt production of the Trident submarine and its counterpart on the Soviet side.

3. Negotiate with the Soviet Union and other nuclear powers for a freeze on research and development of nuclear weapons, an end to all nuclear tests, and a significant reduction of nuclear stockpiles.

We must also negotiate reduction of arms sales, especially sales to poor nations which cannot even feed and house their own people. Continued pursuit of technological advances — such as U.S. development of F-16 fighter planes — increases pressures to sell surplus weapons to poor nations. Arms sales to those nations encourages military dictatorships and border wars.

In examining the military budget, we must confront the myth that high military spending is needed to provide jobs for American workers. The fact is that civilian spending, dollar for dollar, provides more jobs because it is more labor-intensive. Savings made through reduced military spending can be transferred to civilian programs or returned to the public in the form of tax relief. In either case, the money will stimulate the economy more, and provide more jobs, than it would if used for military purposes.

THE CORPORATIONS

Generally, however the corporation in America in 1976 has become a separate center of power. This center of power is one which was not anticipated by or provided for by the Constitution. This center of power is one which has not even been subject to the general regulations and laws which we have devised to deal with other business and financial practices.

This is to say that the corporation, and the power which it has attracted to itself, have assumed functions which go far beyond the original economic purpose for which it developed.

What we have allowed to develop is a kind of corporate feudalism, one that fits the schoolboy definition of feudalism as a system in which everybody belongs to someone and everyone else belongs to the king.

The loss of freedom that goes with working for a corporation is not always accompanied by security, something that serfs in the Middle Ages did have. Many corporations, particularly those in the military and aerospace industries, stockpiled engineers and other professionals during the boom period of the 1960's. When the corporation faced financial difficulty, or when they no longer needed the professionals, they simply cut them loose to become displaced persons in our society.

Feudal lords had certain obligations toward the poor, something that cannot be said of our corporations. America's poor and minorities, its undereducated and underfed, are not even the serfs of corporate feudalism. They are its outcasts.

We must have corporate reform. First, we must assure greater freedom for corporation employees. One way is to reduce risk through greater protection in unemployment and health benefits. This could be done by improving the national unemployment-compensation programs so that employees will not be as dependent on the unemployment programs of corporations as many now are. Second, we must make corporations operate within existing law. This might seem obvious but one only has to ask whether that is being done now.

A third point is that we must impose upon corporations certain social responsibilities in exchange for their social privileges of limited liability and favorable tax rates. We have a right to say, and the McCarthy Administration would say: "We have given you special privileges, and here is what has happened: not enough production of the right kinds of goods and services, not enough employment, and twenty-five million people who we have to classify as poor."

— John Boyles

WASHINGTON WATCH
South Point Plaza
Lansing, Michigan 48910

SECOND CLASS
NEWSLETTER

THE WINNING McCARTHY CAMPAIGN
Volume 4, Number 43, October 29, 1976

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WEEKLY NEWSPAPER — NEWSPAPER TREATMENT

Editorial Office: 511 Second St., S.E., Washington, D.C. 20003. Send all Circulation Correspondence to: Washington Watch, South Pointe Plaza, Lansing, Michigan 48910. Publisher: Shrikumar Poddar.

CAMPAIGN VIOLATION #4

ILLEGAL CORPORATE CONTRIBUTIONS

According to McCarthy's campaign reports on file at the FEC, Shrikumar Poddar did place over \$68,000 worth of advertisements for the CCP through APP'S ADVERTISING AGENCY, of which at least \$21,893 is reportedly still outstanding debt. APP'S ADVERTISING AGENCY has no legal charter of corporate existence, and is nothing more than a bank account controlled by Poddar. I contend that Shrikumar Poddar violated section 110.4 of the Rules and Regulations of the FEC entitled "Prohibited Contributions" and detailed on section #2 of this document.

114.10 EXTENTION OF CREDIT AND SETTLEMENT OF CORPORATE DEBT

(a) A corporation may extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extention of credit to nonpolitical debtors which are of similar risk and size of obligation.

I maintain that Shrikumar Poddar, as owner of EDUCATIONAL SUBSCRIPTION SERVICE and APP'S ADVERTISING AGENCY, did extend credit to the Committee for a Constitutional Presidency in a way not at all similar to nonpolitical debtors. I further contend that WASHINGTON WATCH, APP'S ADVERTISING AGENCY, and EDUCATIONAL SUBSCRIPTION SERVICE in fact occupy the same offices at 3308 South Cedar in Lansing, employ the same personnel, and are the same entity.

114.2 PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES
(b) Any corporation whatever or any labor organization is prohibited from making a contribution or expenditure, as defined in 114.1 (a) in connection with any federal election.

114.1(a)(1) The term "contribution or expenditure" shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services...

I contend that EDUCATIONAL SUBSCRIPTION SERVICE, and its assumed names and affiliates, did in fact render services, extend cash loans, and extend in kind credit to the Committee For A Constitutional Presidency in violation of the Rules and Regulations of the Federal Election Commission.



UNITED STATES OF AMERICA

The State of Michigan

Michigan Department of Commerce

Lansing, Michigan

To All To Whom These Presents Shall Come:

*I, Richard K. Helmbricht, Director, Michigan Department of Commerce,
Do Hereby Certify That*

I have made diligent examination of the records of this office and can find no record of a corporation by the name of APP'S ADVERTISING AGENCY, having filed or recorded Articles of Incorporation in this office as a domestic corporation, or having been admitted to do business in this State as a foreign corporation.

I FURTHER CERTIFY that we find no record of a corporate assumed name by the title of APP'S ADVERTISING AGENCY, having been filed in this office.

This certificate is in due form and made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.

*In testimony whereof, I have hereunto set my
hand and affixed the Seal of the Department,
in the City of Lansing, this 2nd day
of December, 19 17.*

Richard K. Helmbricht
Director

U.S. Federal Election Commission
1375 A Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 26 and/or 27 of FEC Form 3

(See Instructions on back)

Page 2 of 5 for
LINE NUMBER 26

(Use separate schedule(s) for each
numbered line)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency				
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
COURT REPORTER FEE OWED Allen J. Hanley 213 Euclid Ave. Albany, NY 12208	10-22-76	1,718.75	- 00 -	1,718.75
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
ADVERTISING INVOICES OWED Apps Advertising Agency 3708 S. Cedar, #5B Lansing, MI 48910	10-19-76 thru 11-1-76	68,481.	41,000.	27,481.00
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
AUTO LOAN OWED Ford Motor Credit Co. P.O. Box 7777-R19 Philadelphia, PA 19175	12-30-75	3,822.48	955.62	2,866.86
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
LEGAL COSTS OWED Mills & Wilcox Russ Bldg. 235 Montgomery St., #1243 San Francisco, CA 94104	10-28-76	559.29	- 00 -	559.29
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
XEROXING INVOICES OWED Xerox Corporation 1616 N. Ft. Myer Drive, 6th Floor Arlington, VA 22209	6-22-76 thru 11-18-76	367.38	- 00 -	367.38
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Full name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	\$	\$	\$
Subtotals this period (this page optional)		\$	\$	\$ 27,405.
Total this period (last page this line number only)		\$	\$	\$
Carry outstanding balance only, to appropriate line of summary				

Itemized Expenditures
Campaign Fundraising, Loans, and Transfers
for Lines 20, 22, 23, and/or 24 of FEC Form 3

(See Instructions on back)

Page 5 of 6 for

LINE NUMBER 20(a)

(Use separate schedule(s) for each numbered line)

Name of Candidate or Committee in full

Committee for a Constitutional Presidency

Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
<i>Apps Advertising Agency 3308 S. Cedar, #5B Lansing, MI 48910</i>	<i>Advertising (thru wire transfers)</i>	<i>11-1-76 11-3-76 11-3-76 11-3-76</i>	<i>14,000. 2,000. 11,000. 14,000.</i>
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Subtotal of expenditures this page (optional).			<i>\$ 41,000.</i>
Total this period (last page this line number only).			<i>5</i>

77730502360

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form

Page 2 of 7 for
LINE NUMBER 26
(Use separate schedule(s) for each numbered line)

Return Commission
Schedule, Part 2
Form, U.C. 200-3

(See Instructions on back)

Name of Creditor, or Committee in Full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payments To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency				
Full name, mailing address and ZIP code, and nature of obligation: COURT REPORTER FEE OWED Allen J. Hanley 212 Euclid Ave. Albany, NY 12208	Date (month, day, year): 10-22-76	\$ 1,718.75	\$ - 00 -	\$ 1,718.75
Full name, mailing address and ZIP code, and nature of obligation: ADVERTISING INVOICES OWED Apps Advertising Agency 3700 S. Cedar, #50 Lansing, MI 48910	Date (month, day, year): 10-26-76 + 11-1-76	\$ 27,481.00	\$ 5,588.	\$ 21,893.00
Full name, mailing address and ZIP code, and nature of obligation: AUTO LOAN OWED Ford Motor Credit Co. P.O. Box 7777-R11 Philadelphia, PA 19175	Date (month, day, year): 12-30-75	\$ 3,822.40	\$ 1,167.98	\$ 2,654.50
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED Hill & Hilcox Russ Bldg. 535 Montgomery St., #1243 San Francisco, CA 94104	Date (month, day, year): 10-20-76	\$ 558.29	\$ - 00 -	\$ 558.29
Full name, mailing address and ZIP code, and nature of obligation: ADVERTISING INVOICES OWED Xerox Corporation 1616 N. Ft. Myer Drive, 6th Floor Arlington, VA 22206	Date (month, day, year): 6-22-76 thru 11-18-76	\$ 357.38	\$ - 00 -	\$ 357.38
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED South Central Kansas Chapter, ACLU 908 Brown Bldg. Wichita, KS 67202	Date (month, day, year): 9-22-76	\$ 98.30	\$ - 00 -	\$ 98.30
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED Cheney, Brock & Sidel P.O. Box 725 Montpelier, VT 05602	Date (month, day, year): 11-9-76	\$ 478.44	\$ - 00 -	\$ 478.44
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED Martin C. Gileonice 51 Brattle St., #37 Cambridge, MA 02138	Date (month, day, year): 9-29-76	\$ 55.98	\$ - 00 -	\$ 55.98
Subtotals this period this page (optional).....		\$	\$	\$ 27,825.64
Total this period (first page this line number only).....		\$	\$	\$

Carry outstanding balance only, to appropriate line of summary

Campaign Fundraising, Loans, and Transfers
for Lines 20, 22, 23, and/or 24 of FEC Form 278

(See instructions on back)

LINE NUMBER 20(a)

(Use separate schedule(s) for each numbered line)

Name of Candidate or Committee on File

Committee for a Constitutional Presidency

Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Apps Advertising Agency 3308 S. Cedar, #5B Lansing, MI 48910	Advertising	2-1-77	284.67
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Cheshire/Xerox P.O. Box 92567 Chicago, IL 60675	Machine Rental	3-30-77	461.75
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Educational Subscription Service 3308 S. Cedar, #11 Lansing, MI 48910	Fund Raising	3-31-77	354.75
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Subtotal of expenditures this page (optional)			\$1,101.2
Total this period (last page this line number only)			\$2,512

Carry outstanding balance of 4. to appropriate line of summary.

Debts and Obligations

Line Numbers 26 and/or 27 of FEC Form 3

LINE NUMBER 26

(Use separate schedule for each numbered line)

(See instructions on back)

Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payments To Date	Outstanding Balance at Close of This Period
Full Name, Title, Address and ZIP Code, and nature of obligation		Date (month, day, year)	\$	\$
Committee for a Constitutional Presidency				
COURT REPORTER FEE OWED				
Allen J. Hanley 213 Euclid Ave. Albany, NY 12202		10-22-76	1,718.75	-00-
ADVERTISING INVOICES OWED				
Apps Advertising Agency 3700 S. Cedar, #5B Lansing, MI 48910		11-1-76	21,893.00	284.67
AUTO LOAN OWED				
Ford Motor Credit Co. P.O. Box 7777-R19 Philadelphia, PA 19175		12-30-75	3,822.42	1,592.70
LEGAL COSTS OWED				
Mills, Wilcox P.O. Box 200 McPherson St., #1245 San Francisco, CA 94115		10-22-76	552.29	552.29
XEROX INVOICES OWED				
Xerox Corporation 160 W. 4th Street, 6th Floor Arlington, VA 22209		8-22-76 11-12-76	367.35	-00-
LEGAL COSTS OWED				
South Central Kansas Chapter, ACLU 900 Crown Bldg. Wichita, KS 67202		9-22-76	98.30	-00-
LEGAL COSTS - FEES OWED				
Cramer, Brock & Sidel P.O. Box 725 Montpelier, VT 05602		11-9-76	472.44	-00-
LEGAL COSTS OWED				
Martin C. Gifford 51 Brattle St., #37 Cambridge, MA 02138		9-29-76	55.98	-00-
Subtotal this schedule (add all debits)			\$	\$26,55
Total this period (add all debits)			\$	\$
Carry over from last schedule (if any)			\$	\$

Debits and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

Page 2 of 6 for
 LINE NUMBER 27

(Use separate schedule(s) for each
 numbered line)

(see instructions on back)

Candidate or Committee in full Committee for a Constitutional Presidency	Amount of Original Debt, Contract, Agree- ment, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Full Name, mailing address and ZIP code, and nature of obligation ADVERTISING INVOICES OWED Apps Advertising Agency 3308 S. Cedar, #58 Lansing, MI 48910	Date (month, day, year) \$ 11-1-76 17,710.70 less 6-24-77 credit memo	\$ 284.67	\$ 17,426.03
Full Name, mailing address and ZIP code, and nature of obligation AUTO LOAN OWED Ford Motor Credit Co. P.O. Box 7777-R19 Philadelphia, PA 19175	Date (month, day, year) \$ 12-30-75 3,667.62 less credit for early payment	\$ 3,667.62	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation XEROXING INVOICES OWED Xerox Corporation 1616 N. Ft. Myer Drive Arlington, VA 22209	Date (month, day, year) \$ 6-22-76 367.38 thru 11-18-76	\$ 67.38	\$ 300.00
Full Name, mailing address and ZIP code, and nature of obligation LEGAL COSTS OWED South Central Kansas Chapter, ACLU 908 Brown Bldg. Wichita, KS 67202	Date (month, day, year) \$ 9-22-76 98.30	\$ -0-	\$ 98.30
Full Name, mailing address and ZIP code, and nature of obligation LEGAL COSTS + FEES OWED Cheney, Brock + Sidel P.O. Box 725 Montpelier, VT 05602	Date (month, day, year) \$ 11-9-76 478.44	\$ -0-	\$ 478.44
Full Name, mailing address and ZIP code, and nature of obligation LEGAL COSTS OWED Martin C. Gideonse 51 Brattle St. Cambridge, MA 02138	Date (month, day, year) \$ 9-29-76 55.98	\$ -0-	\$ 55.98
Full Name, mailing address and ZIP code, and nature of obligation TAXES OWED District of Columbia Government Washington, DC	Date (month, day, year) \$ thru 401.90 9-26-77	\$ 401.90	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation PETITION EXP. OWED Douglas B. Heintz Box 4961 Albuquerque, NM 87106	Date (month, day, year) \$ 9-22-76 163.00	\$ 163.00	\$ -0-

Subtotals this period (this page optional) \$ \$ \$

Total this period (last page this line number only) \$ \$ \$

Carry outstanding balance only, to appropriate line of summary

Name of Candidate or Committee in full

Committee for a Constitutional Presidency

Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Mary Mcchan 23- 2nd St., NW, #18 Washington, DC 20002	Consultant Fee	12-16-76	300.
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
W. H. C. Venable Venable, Cohen, Abeloff + Staples Ross Bldg. Richmond, VA 23219	Legal Fee	12-27-76	1200.
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Miriam Davis 7605 Beech Tree Rd. Bethesda, MD 20034	Reimb. Phone Exp.	12-27-76	108
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Apps Advertising Agency 3368 S. Cedar, #5B Lansing, MI 48910	Advertising	12-15-76	5,588
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Subtotal of expenditures this page (optional).			\$ 7,11
Total this period (last page this line number only).			\$ 11,

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

Page 1 of 6 for
LINE NUMBER 27

(Use separate schedule(s) for each numbered line)

(See Instructions on back)

Name of Candidate or Committee in full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency			
Full Name, mailing address and ZIP code, and nature of obligation: DATA PROCESSING ESR Corporation INVOICE OWED 835 Louisa, Suite 102, Box 9547 Lansing, MI 48909	Date (month, day, year): 6-23-76 + 8-26-76 \$ 533.90	\$ -0-	\$ 533.90
Full Name, mailing address and ZIP code, and nature of obligation: FUND RAISING INVOICES OWED Educational Subscription Service 3308 S. Cedar, Suite 11 Lansing, MI 48910	Date (month, day, year): 6-23-76 thru 6-13-77 \$ 7,509.79	\$ 354.78	\$ 7,155.01
Full Name, mailing address and ZIP code, and nature of obligation: TAXES OWED Internal Revenue Service 11601 Roosevelt Blvd. Philadelphia, PA 19155	Date (month, day, year): 3-31-76 thru 9-26-77 \$ 1,849.38	\$ 1,849.38	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED Armor + Marcus 711 W. 40th St., #425 Baltimore, MD 21211	Date (month, day, year): 10-29-76 \$ 8,821.04	\$ 1,500.00	\$ 7,321.04
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED Don Gladden 702 Burk Burnett Bldg. Fort Worth, TX 76102	Date (month, day, year): 10-12-76 \$ 1,024.01	\$ -0-	\$ 1,024.01
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED De Graff, Foy, Conway + Holt-Harris 90 State St. Albany, NY 12207	Date (month, day, year): 11-4-76 + 11-29-76 \$ 9,975.98	\$ 975.98	\$ 9,000.00
Full Name, mailing address and ZIP code, and nature of obligation: COURT REPORTER FEE OWED Mario J. Rizzi 4 Fairlawn Lane Troy, NY 12181	Date (month, day, year): 10-22-76 \$ 1,173.75	\$ 173.75	\$ 1,000.00
Full Name, mailing address and ZIP code, and nature of obligation: COURT REPORTER FEE OWED Allen J. Hanley 213 Euclid Ave. Albany, NY 12208	Date (month, day, year): 10-22-76 \$ 1,718.75	\$ 218.75	\$ 1,500.00
Subtotals this period this page (optional):	\$	\$	\$
Total this period (last page this line number only):	\$	\$	\$
Carry outstanding balance only, to appropriate line of summary.			

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

Page 1 of 5 for
LINE NUMBER 26

(Use separate schedule(s) for each numbered line)

(See instructions on back)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency				
Full Name, mailing address and ZIP code, and nature of obligation: DATA PROCESSING INVOICE OWED	Date (month, day, year)	\$	\$	\$
ESR Corporation	6-23-76	533.90	-00-	533.90
835 Louisa, Suite 102	+			
Box 9547	8-26-76			
Lansing, MI 48909				
Full Name, mailing address and ZIP code, and nature of obligation: FUND RAISING INVOICES	Date (month, day, year)	\$	\$	\$
Educational Subscription Svc. OWED	6-23-76	6,154.78	-00-	6,154.78
3308 S. Cedar, Suite #11	thru			
Lansing, MI 48910	11-10-76			
Full Name, mailing address and ZIP code, and nature of obligation: TAXES OWED	Date (month, day, year)	\$	\$	\$
Internal Revenue Service	3-31-76	1,156.16	-00-	1,156.16
11601 Roosevelt Blvd.	thru			
Philadelphia, PA 19155	9-30-76			
Full Name, mailing address and ZIP code, and nature of obligation: PRINTING INVOICE OWED	Date (month, day, year)	\$	\$	\$
James H. Barry Co.	7-23-76	722.07	-00-	722.07
170 South Van Ness Ave.				
San Francisco, CA 94103				
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED	Date (month, day, year)	\$	\$	\$
Armer + Marcus	9-30-76	11,821.04	3,000.-	8,821.04
711 W. 40th St., #425	+			
Baltimore, MD 21211	10-29-76			
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED	Date (month, day, year)	\$	\$	\$
Don Gladden	10-12-76	1,024.01	-00-	1,024.01
902 Burk Burnett Bldg.				
Fort Worth, TX 76102				
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED	Date (month, day, year)	\$	\$	\$
DeGraff, Foy, Conway + Holt-Harris	11-4-76	9,950.53	-00-	9,950.53
90 State St.				
Albany, NY 12207				
Full Name, mailing address and ZIP code, and nature of obligation: COURT REPORTER FEE OWED	Date (month, day, year)	\$	\$	\$
Mario J. Rizzi	10-22-76	1,173.75	-00-	1,173.75
4 Fairlawn Lane				
Troy, NY 12181				

Subtotals this period this page (optional) \$ 29,536.24

Total this period (last page this line number only) \$

Carry outstanding balance only to appropriate line of summary

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

Page 1 of 7 for
LINE NUMBER 26

(Use separate schedule(s) for each numbered line)

(See Instructions on back)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance of This
Committee for a Constitutional Presidency				
Full Name, mailing address and ZIP code, and nature of obligation: DATA PROCESSING INVOICE OWED		Date (month, day, year)	\$	\$
ESR Corporation		6-23-76	533.90	-00-
835 Lelia, Suite 102		+		533
Box 9547		8-26-76		
Lansing, MI 48909				
Full Name, mailing address and ZIP code, and nature of obligation: FUND RAISING INVOICES		Date (month, day, year)	\$	\$
Educational Subscription Svc. OWED		6-23-76	6,154.78	-00-
3308 S. Cedar, Suite 711		THRU		6,154
Lansing, MI 48910		11-10-76		
Full Name, mailing address and ZIP code, and nature of obligation: TAXES OWED		Date (month, day, year)	\$	\$
Internal Revenue Service		3-31-76	1,398.02	-00-
11001 Roosevelt Blvd.		THRU		1,39
Philadelphia, PA 19155		12-31-76		
Full Name, mailing address and ZIP code, and nature of obligation: PRINTING INVOICE OWED		Date (month, day, year)	\$	\$
James H. Barry Co.		7-23-76	722.67	-00-
176 South Van Ness Ave.				722
San Francisco, CA 94103				
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED		Date (month, day, year)	\$	\$
Arnold & Marcus		10-29-76	8,821.04	-00-
711 W. 40th St., #425				8,82
Cattimore, MD 21211				
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED		Date (month, day, year)	\$	\$
Don Gladden		10-12-76	1,024.01	-00-
902 Clark Burnett Bldg.				1,02
Fort Worth, TX 76102				
Full Name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED		Date (month, day, year)	\$	\$
DeGraft, Foy, Conway & Holt-Harris		11-4-76	9,975.98	-00-
80 STATE ST.		+		9,97
Albany, NY 12267		11-29-76		
Full Name, mailing address and ZIP code, and nature of obligation: COURT REPORTER FEE OWED		Date (month, day, year)	\$	\$
Mario J. Rizzo		10-22-76	1,173.75	-00-
14 Fairlawn Lane				1,17
Troy, NY 12181				
Subtotals for period this page (optional)		\$	\$	\$ 29
Total this period (last page this line number only)		\$	\$	\$

(See instructions on back)

Committee for a Constitutional Presidency		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
DATA PROCESSING INVOICE ESR Corporation 835 Lorain, Suite 102 Box 9547 Lansing, MI 48909	6-23-76 + 8-26-76	533.90	-00-	533.90
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
FUND RAISING INVOICES Educational Subscription Svc. 3305 S. Cedar, Suite 711 Lansing, MI 48910	6-23-76 + 11-10-76	6,154.78	354.78	5,800.00
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
TAXES OWED Internal Revenue Service 11601 Roosevelt Blvd. Philadelphia, PA 19155	3-31-76 + 2-15-77	1,401.78	181.79	1,219.99
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
PRINTING INVOICE OWED James H. Barry Co. 170 South Van Ness Ave. San Francisco, CA 94103	7-23-76	722.67	722.67	-00-
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
LEGAL COSTS + FEES OWED Armer & Marcus 711 N. 4th St., #425 Baltimore, MD 21211	7-23-76	8,821.04	500.00	8,321.04
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
LEGAL COSTS OWED Don Glazick 902 Jack Burnett St. Fort Worth, TX 76102	10-12-76	1,024.01	-00-	1,024.01
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
LEGAL COSTS + FEES OWED DeGraff, Foy, Conway & Holt-Harris 90 State St. Albany, NY 12207	11-4-76 + 11-29-76	9,975.98	975.98	9,000.00
Full Name, including address and ZIP code and nature of obligation	Date (month, day, year)	\$	\$	\$
COURT REGISTER FEE OWED Mario S. Rizzo 4 Fairlawn Lane Troy, NY 12181	10-22-76	1,173.75	-00-	1,173.75
Subtotal (this line and this page optional)		\$	\$	\$27,072.69
Total this period (last page this line number only)		\$	\$	\$

Schedule C

1976

Federal Election Commission
1225 K Street, N.W.
Washington, D.C. 20045Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

(see instructions on back)

Page 1 of 3 for

LINE NUMBER 26

(Use separate schedule(s) for each
numbered line)

Name of Candidate or Committee in full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of This Period
Committee for a Constitutional Presidency			
Full name, mailing address and ZIP code, and nature of obligation: DATA PROCESSING INVOICE OWED ESR Corporation 835 Louisa, Suite 102 Box 9547 Lansing, MI 48909	Date (month, day, year) 6-23-76 + 8-26-76 \$ 533.90	\$ -00-	\$ 533.90
Full name, mailing address and ZIP code, and nature of obligation: FUND RAISING INVOICES OWED Educational Subscription Service 3308 S. Cedar, Suite #11 Lansing, MI 48910	Date (month, day, year) 6-23-76 thru 10-12-76 \$ 1838.07	\$ -00-	\$ 1838.07
Full name, mailing address and ZIP code, and nature of obligation: TAXES OWED Internal Revenue Service 11601 Roosevelt Blvd. Philadelphia, PA 19155	Date (month, day, year) 3-31-76 thru 9-30-76 \$ 1156.16	\$ -00-	\$ 1156.16
Full name, mailing address and ZIP code, and nature of obligation: PRINTING INVOICE OWED James H. Barry Co. 170 South Van Ness Ave. San Francisco, CA 94103	Date (month, day, year) 7-23-76 \$ 722.07	\$ -00-	\$ 722.07
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS + FEES OWED Arner + Marcus 711 W. 40th St., #425 Baltimore, MD 21211	Date (month, day, year) 9-30-76 \$ 6,255.54	\$ 2,000.	\$ 4,255.54
Full name, mailing address and ZIP code, and nature of obligation: LEGAL COSTS OWED Don Gladden 702 Bunk Burnett Bldg. Fort Worth, TX 76102	Date (month, day, year) 10-12-76 \$ 1,024.01	\$ 1,024.01 -00-	\$ 1,024.01
Full name, mailing address and ZIP code, and nature of obligation: AUTO LOAN OWED Ford Motor Credit Co. P.O. Box 7777-R19 Philadelphia, PA 19175	Date (month, day, year) 12-30-75 \$ 3,822.48	\$ 955.62	\$ 2,866.86
Full name, mailing address and ZIP code, and nature of obligation:	Date (month, day, year)	\$	\$
Subtotals this period (this page last only)	\$	\$	\$ 12,396.61
Total this period (last page this line number only)	\$	\$	\$
Carry-over outstanding balance only (do appropriate line of summary)			

Debits and Obligations for

Line Numbers 26 and/or 27 of FEC Form 3

LINE NUMBER 26

(Use separate schedule(s) for each numbered line)

Sked C CCP 12/76

(see instructions on back)

Federal Election Commission
435 M Street, N.W.
Washington, D.C. 20463

Name of Candidate or Committee in full

Amount of Original
Debt, Contract, Agree-
ment, or Promise

Cumulative Payment To
Date

Outstanding Balance at
Close of This Period

Committee for a Constitutional Pres'cy

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Ron Riba
Austin Hall 111 UVM
Burlington VT 05401
HOTEL REIMBURSEMENT OWED

10/23/76

47.25

-0-

47.25

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Douglas Brian Heintz
Box 4961
Albuquerque NM 87106
TRAVEL REIMBURSEMENT OWED

9/22/76

163.00

-0-

163.00

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Phyllis Paine UNSECURED
3266 S. 104th LOAN
Omaha NE 68124

7/30/76

1,000.00

-0-

1,000.00

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Maryrika Poddar
3508 S. Cedar #11
Lansing MI 48910
UNSECURED LOAN

12/9/76

5,000.00

-0-

5,000.00

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Educational Subscription Svc
South Point Plaza
Lansing MI 48910
INVOICES OWED

6/7/76

337.32

-0-

337.32

11/1/76

1,250.03

-0-

1,250.03

11/16/76

3,010.29

-0-

3,010.29

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Ford Motor Credit Co.
Box 7777-R19
Phila PA 19175
NOTE & SECURITY AGREEMENT

12/31/75

3,822.48

1,274.16

2,548.32

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Apps Advertising Agency
3308 S. Cedar #11
Lansing MI 48910
INVOICES OWED

10/19
thru

11/1/76

68,481.00

46,588.00

21,893.00

Full Name, mailing address and ZIP code, and nature of
obligation

Date (month,
day, year)

\$

\$

\$

Steve Kraft
645 Biery's Bridge Rd
Bethlehem PA 18017
UNSECURED LOAN

11/22/76

200.

-0-

200.

Subtotals this period this page (optional)

\$

\$

\$

Total this period (last page this line number only)

\$

\$

\$152,830.47

Carry outstanding balance only, to appropriate line of summary

Sex discrimination charge disclaimed by publisher

By MARY FLOOD
Staff Writer

against him are without any basis in fact.

Lansing publisher Shrikumar Poddar said that his former employee Eva Kipper has been misrepresenting some of the facts in her sex discrimination complaint against Poddar.

Ms. Kipper, a former employee of the Washington Watch newsletter, filed the complaint with the state Civil Rights Department claiming she was demoted from her position as managing editor when a new male editor was hired to oversee her.

PODDAR NOTES first that the new editor, Lawrence Tharp, is actually working for Poddar's profit company Educational Subscription Service and is merely donating his time to the independent, non-profit newsletter.

He made it clear that the two entities are connected by personnel but are financially independent. He said Ms. Kipper's replacement is a woman who receives the same salary Ms. Kipper received.

He notes that he has no charges to make against Ms. Kipper but that he feels the sex discrimination charges

SHE WAS terminated, he explained, because she would not cooperate with Poddar when they tried to meet to resolve her objections.

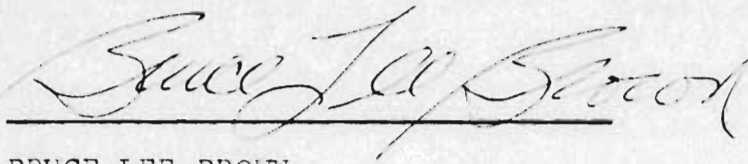
Ms. Kipper has complained that she took over the work of two men who each received \$12,000 a year, yet she was paid only \$6,240 in an attempt to slim the newsletter's budget.

Poddar admits that her two male predecessors were paid more right before they left (\$9,600) but he said they did more original writing than Ms. Kipper and the jobs were far from identical in nature.

THE COMPLAINT was filed Nov. 9 and the state investigation should take several more months.

But Arthur Sheffey of the Michigan Department of Civil Rights explained that his office only has jurisdiction over employers with four employees. Poddar said the Washington Watch technically has only two employees — both female. So the complaint may be dropped entirely due to lack of jurisdiction.

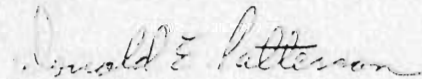
I, BRUCE LEE BROWN, A CITIZEN OF THE UNITED STATES, HAVE SET FORTH IN THE ABOVE PAGES MY GROUNDS FOR BELIEVING THAT EUGENE MCCARTHY AND SHRIKUMAR PODDAR HAVE VIOLATED THE RULES AND REGULATIONS OF THE FEDERAL ELECTION COMMISSION, ADOPTED TO IMPLEMENT THE PROVISIONS OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971, AS AMENDED IN 1974 AND 1976. I AM NOT NOW AND WAS NOT IN 1976 A CANDIDATE FOR FEDERAL OFFICE. I AM NOT FILING THIS COMPLAINT ON BEHALF OF OR AT THE REQUEST OR SUGGESTION OF A CANDIDATE FOR FEDERAL OFFICE. I CURRENTLY RESIDE AT 725 WESTMORELAND, LANSING, MICHIGAN 48915 AND MY TELEPHONE NUMBER IS (517) 484-5105. THIS COMPLAINT IS FILED IN ACCORDANCE WITH SECTION 111.2 OF THE RULES AND REGULATIONS OF THE FEDERAL ELECTION COMMISSION.



BRUCE LEE BROWN

DECEMBER 17, 1977

Subscribed and Sworn before me this 17th Day of December, 1977.



Donald E. Patterson
Notary Public Eaton., Acting Ingham
My Commission Expires: 20 Nov 79

W, BRUCE

51240210365

Westmoreland
g, Mi. 48915



RETURN RECEIPT
REQUESTED



Federal Election Commission
1325 K. street NW
WASHINGTON DC 20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR #

485

Date Filmed

4/21/81

Camera No. --- 2

Cameraman

JSPC



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 485 Deposition

Date Filmed 4/29/81 Camera No. --- 2

Cameraman SPC

13 JUL 13 AM 10:27

Catherine Renner, Court Reporter
4113 Bermuda Avenue
Sault Ste. Marie, Michigan 49783

122
invoice no.

July 10, 1978

Ms. Elena King
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Re: Eugene McCarthy, McCarthy '76, Committee for a
Constitutional Presidency

Deposition of Bruce L. Brown taken 6-6-78

Attendance	\$ 25.00
35 Pages (original & 2 copies)	<u>78.75</u>
Total	\$103.75

Employer Identification No. 38-2179334

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

EUGENE McCARTHY

McCARTHY '76

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

MUK
485
(77)

DEPOSITION OF:

BRUCE L. BROWN

APPEARING FOR THE FEDERAL ELECTION COMMISSION:

BIZ VAN GELDER

ELENA KING

INDEX

EXAMINATIONS:

PAGE:

Examination By Ms. Van Gelder

3

EXHIBITS:

Exhibit A Marked

10

Exhibit B Marked

11

Exhibit C Marked

16

Exhibit D Marked

17

Exhibit E Marked

19

-oOo-

BRUCE L. BROWN,

a witness herein, being first duly sworn, testified under oath as follows:

MS. VAN GELDER: Let the record reflect that we are in the Board of County Commission's Room in Sault Ste. Marie, Michigan, and it is approximately 1:03; the time and place set for the taking of the deposition of Bruce L. Brown.

EXAMINATION

BY MS. VAN GELDER:

Q Would you state your name for the record?

A Bruce L. Brown.

Q And your address?

A Rte. 1, Box 293, Sault Ste. Marie, Michigan.

Q And your telephone number?

A It's 632-8060.

Q What is your occupation, sir?

A Right now---farm worker.

Q Are you a farm worker at a particular farm?

A At the farm I live at.

Q You are self-employed?

A Right.

Q What was your occupation before that?

A I was---business manager for Washington Watch was my last employment.

Q When were you employed by Washington Watch?

A June 11---June 14 to November 9th of 1977.

Q Could you give us the business address of Washington Watch?

A There are two addresses. They go by either 3308 South Cedar, Lansing, 48910, or Southpoint Plaza, Lansing, 48910.

Q What did you do before you worked for Washington Watch?

1 A I worked for Education Subscription Service at the
2 same address.

3 Q How long did you work for Educational Subscription
4 Service?

5 A I worked there for about -- about six weeks altogether.

6 Q From -- do you know the dates?

7 A I am not absolutely sure -- the 1st of April to the
8 middle of May.

9 Q Of '77?

10 A Right.

11 Q Who was the supervisor at ESS?

12 A At that time -- Ted Simmons.

13 Q Okay, what did you do at ESS?

14 A I worked in the mailroom, and I worked on the machine to
15 send the promotional mailings.

16 Q Just what is it that ESS does?

17 A It's a subscription solicitation business for magazines.
18 They send out mailings or small cards that say: Cut
19 rates for college students, educators, and so on. It
20 solicits subscriptions to magazines.

21 Q What did you do before you worked for ESS?

22 A Before that I worked -- I'm trying to think if I had a
23 job in between in '76. I worked for the People's Party,
24 for the National Campaign Committee.

25 Q What did you do there?

1 A I was -- I worked on the campaign staff. I did mailings.
2 I did fund raising appeals. I did some -- a lot of
3 traveling. I did talking to groups. I wrote press re-
4 leases and campaign brochures.

5 Q Who did the People's Party support -- did they have a can-
6 didate in the '76 election?

7 A Yes, they had Margaret Ann Wright for President and
8 Benjamin Spock for Vice-President.

9 Q Let's go back to Washington Watch. Who was your super-
10 visor at Washington Watch?

11 A Evelyn Kipper was my supervisor. She was the managing
12 editor and my direct supervisor. Shrikumar Poddar,
13 S- h- r- i- k- u- m- a- r P- o- d- d- a- r, was the
14 publisher, and he also supervised my work.

15 Q And what were your duties and responsibilities at Washing-
16 ton Watch?

17 A I was business manager. I was in charge of promotions,
18 direct mailing, campaign advertising. I proof-read the
19 copy. I negotiated all business correspondence and
20 other business work. I did monthly budgets. I prepared
21 the bills to be paid -- although I did not sign the
22 checks I prepared the checks for Poddar to sign.

23 Q Did you also keep the books and records?

24 A Both myself and the managing editor worked on the books.

25 Q And the managing editor was Ms. Kipper?

- 1 A Ms. Kipper, yes.
- 2 Q What were your reasons for leaving Washington Watch?
- 3 A I was fired on November 9. We had quarrels, actually,
- 4 and he threatened to fire me in September, and from
- 5 September through November 9 we quarreled quite regularly
- 6 about the business practices and business ethics at
- 7 Washington Watch.
- 8 Q Did Ms. Kipper leave at approximately that time also?
- 9 A Yes, she was fired on November 12th.
- 10 Q And what was she fired for?
- 11 A She complained to him a week earlier when he hired a
- 12 new man above her that he was being paid a higher rate
- 13 than her, and that in effect she was being demoted to
- 14 make way for a male employee. She said to the publisher
- 15 it was sex discrimination.
- 16 Q The publisher being Mr. Poddar?
- 17 A Mr. Poddar and she quarreled about that and eventually
- 18 she was fired.
- 19 Q Do you know how we could contact Ms. Kipper?
- 20 A Yes.
- 21 Q Do you know her address?
- 22 A Yes, it is the same as mine.
- 23 Q Which is?
- 24 A Rte. 1, Box 293, Sault Ste. Marie.
- 25 Q In your Complaint which you filed with the Election

7
1 Commission on or about December 17, 1977, you attached
2 a number of documents.

3 A Correct.

4 Q I would like basically to ask you to explain the
5 allegations by answering some questions about the
6 documents.

7 Off the record for a second.

8 (Whereupon a short discussion followed
9 off the record.)

10 A Do you have an extra copy there?

11 Q Sure. Okay, Mr. Brown, the first campaign violation you
12 allege is Mr. Poddar made approximately \$21,200.00 in
13 unsecured loans to Eugene McCarthy via the McCarthy '76
14 Committee for a Constitutional Presidency. How did you
15 arrive at the amount Mr. Poddar gave to Mr. McCarthy?

16 A On this particular section I discovered them when I
17 went to Washington, D.C., after I was discharged in
18 November. I looked at the McCarthy records, and that
19 seemed to be what was listed in the public file.

20 Q But what gave you any inkling Mr. Poddar and Senator
21 McCarthy were even linked together?

22 A Well, I discovered these links during the five months
23 I was employed there -- the first day I was employed as
24 a matter of fact.

25 As business manager I reviewed the books

1 and I discovered a considerable sum of money going to
2 McCarthy, going from the books of Washington Watch.

3 I questioned Poddar and he said it was
4 a normal business procedure; he didn't elaborate.

5 As the weeks went by I discovered more
6 and more evidence that there was a large amount of
7 collaboration between the McCarthy campaign committee
8 and Mr. Poddar.

9 Q Could you elaborate on that?

10 A Well, Ted Simmons was supervisor. I found brochures on
11 McCarthy and I asked Mr. Simmons what the role of the
12 company was in the McCarthy committee, and he told me
13 they apparently did mailings for McCarthy fund raising
14 appeals.

15 Q Could you explain, clarify -- Mr. Simmons was your super-
16 visor at ESS?

17 A Right.

18 Q Could you explain what the the intersection of ESS and
19 Washington Watch is, if any?

20 A ESS is a for-profit company. It makes -- the New York
21 Times says -- a million, over a million dollars in gross
22 per year. I don't exactly know how much they make.

23 Washington Watch is a Michigan non-
24 profit organization. They occupy the same offices, and
25 Educational Subscription Service prints Washington Watch,

1 and Educational Subscription Service mails Washington
2 Watch. They typeset it. In effect they finance it.

3 Q so do they charge in the normal course of business --
4 ESS and Washington Watch?

5 A It's -- well, they do fill out purchase orders between
6 these two companies for certain things like printing.
7 They are almost never paid in the normal course of
8 business.

9 Q Okay, so although you were still working for Washington
10 Watch you were connected with ESS?

11 A Right and Ms. Kipper was managing editor for Washington
12 Watch for over a year, and during six months of that
13 time she was arbitrarily placed on the payroll of Educa-
14 tional Subscription Service. This is a common practice.

15 Q How did you make the transfer from the ESS mailroom to
16 business manager at Washington Watch?

17 A I asked Mr. Poddar for the job. He suggested to a number
18 of people that he was looking for a business manager to
19 manage Washington Watch. He knew my background and
20 because I felt I was qualified I asked him to consider
21 me and filled out an application.

22 Q What was your background?

23 A I graduated -- you mean my educational background -- I
24 graduated from Michigan State University with a B.A. I
25 worked on a newspaper called the Lansing Star, and during

1 the course of that year got much experience in newspapers
2 and newsletters, and went on to work for the peoples
3 party. And I was again engaged there in printed material
4 so I felt I was qualified then to accept the job as
5 business manager of the Newsletter.

6 MS. VAN GELDER: Would you mark this,
7 please?

8 (Exhibit A marked.)

9
10 Q Mr. Brown, I'm going to hand you Exhibit A, and I would
11 like you to identify that, and to focus on the second
12 name if you would.

13 A This is a Federal Election Commission document, debts
14 and obligations for the committee for constitutional
15 presidency.

16 The second name is Shrikumar Poddar,
17 and under the column the amount of original debt, con-
18 tract, agreement, or promise is listed \$20,000.00. And
19 under the column outstanding balance at close of this
20 period is listed \$20,000.00.

21 Q Mr. Brown, do you happen to know if this \$20,000.00 in
22 unsecured loans came from Poddar personally, or was it
23 made through the books of Washington Watch and Education-
24 al Subscription Service?

25 I don't know. It was a personal loan. It's listed as
a personal loan; that's why I assumed it is one.

21

1 Q Okay, fine. In your campaign violation allegation Number
2 you allege that there were \$51,000.00 in aggregate
3 loans loaned to the CCP. Again, the \$51,000.00 is
4 actually by Poddar through the books of the Washington
5 Watch?

6 A That's correct.

7 Q Can you tell me how you came to believe Poddar had loaned
8 sums through Washington Watch to give it to McCarthy?

9 A As business manager I found in the books for '76 large
10 sums of money going to Senator McCarthy, and I listed--
11 I have attached these copies of these journals to this
12 complaint, that's how I first became aware of it. I
13 didn't know the total amount until sometime in October
14 of 1977 when Poddar handed me a note signed by Eugene
15 McCarthy stating Washington Watch had loaned Eugene
16 McCarthy \$51,000.00.

17 Q Cathy, would you mark this Exhibit B?

18 (Whereupon Exhibit was marked.)

19 Mr. Brown, I hand you Exhibit B, and
20 would like you to identify it, please.

21 A This is the note that Mr. Poddar gave to me to write
22 Senator McCarthy as business manager and remind him that
23 he had -- that he owed Washington Watch the sum of
24 \$51,000.00, and it is signed Eugene McCarthy, and de-
25 nominated in \$5,000.00, \$10,000.00, and \$6,000.00

denominations. It's dated under the signature, 10-6-76.

Q Did you in fact contact Mr. McCarthy?

A I did send a brief note. Mr. Poddar seemed to want a more ascertive letter written, and I felt this would be out of place for me to demand in strong language repayment so I simply sent a note to remind him of his obligation.

Q Do you have any recollection of the date of that note that you sent?

A I believe it was somewhere in the middle of October.

Q You have a recollection Mr. Poddar wanted a more forceful note than what you sent?

A Yes, he did. Mr. McCarthy was in town several weeks before, and had stayed with Mr. Poddar at his residence, and I felt that if he wanted a more dramatic demonstration that he wanted the money returned he had an opportunity to talk to Mr. McCarthy so I didn't feel personally comfortable in sending McCarthy a strong note demanding payment.

Q Do you happen to know if Mr. Poddar was personally involved in the campaign?

A Yes, he was finance chairman.

Q For McCarthy, CCP McCarthy, CCP McCarthy '76 Lansing?

A He signed certain letters as chairman of the finance committee for McCarthy '76.

1 Q Let's focus back on the note for a second. Do you have
2 reason to believe this note was not issued during an
3 arms length business transaction between Washington Watch
4 and Senator McCarthy?

5 A Could you repeat that?

6 Q Do you have reason to believe that this note does not
7 reflect an arms length business transaction between
8 Washington Watch and Senator McCarthy?

9 A Yes, I have reason to believe it was not. \$51,000.00
10 in terms of the Washington Watch Newsletter is a very
11 large sum. The Newsletter, the Washington Watch News-
12 letter, never loaned anybody that sum of money. In
13 fact it was in debt over \$180,000.00 to Educational
14 Subscription Service at that time. It was not in a
15 financial position to loan that kind of money.

16 Q Do you know of any loans made prior to that time by any
17 related organizations to Washington Watch to supply the
18 money to authorize this loan?

19 A Yes, a direct transfer from Educational Subscription
20 Service into Washington Watch was a common practice.
21 At times they would run in sums of \$100,000.00 or more.

22 Q Do you have knowledge of a transfer of money made within
23 a few weeks before the loans?

24 A Since I wasn't working at the time all I know is that
25 the bookkeeping journals reflect large deposits from

1 some source. From my experience there I would say it
2 was Educational Subscription Service, but I don't know
3 that for a fact.

4 Q At this time would it be possible---can you tell us
5 the names of the banks in which Educational Subscription
6 Service and Washington Watch have deposits?

7 A I believe it's called the East Lansing State Savings.

8 Q And that would be located where?

9 A East Lansing, Michigan.

10 Q Do both companies have their deposits in the same bank?

11 A It might be called the First National Savings of East
12 Lansing. There are two banks of East Lansing. I can't
13 recollect which one it is---both companies have the
14 same bank.

15 Q What is the signature for the ESS account? Who signs
16 the checks?

17 A Mr. Poddar and Mrs. Poddar.

18 Q Them alone?

19 A Them alone.

20 Q In what way is Mrs. Poddar connected with Educational
21 Subscription Service?

22 A She is a company owner and she is also the actual
23 manager of Educational Subscription Service.

24 Q And who are the signatures on the Washington Watch
25 account?

1 A They were the same two, Mr. Poddar and Mrs. Poddar.

2 Q Mr. Brown, what is Mrs. Poddar's role in Washington
3 Watch?

4 A In the Washington Watch---her personal role is she
5 doesn't want to be involved. She considers it her
6 husband's political hobby, but she is listed on the
7 board of directors.

8 Q Does she have any active participation with Washington
9 Watch?

10 A No, no she doesn't.

11 Q You are currently involved in a law suit in the State
12 of Michigan, Circuit Court for the County of Ingham,
13 is that correct?

14 A Right.

15 Q Which is entitled Washington Watch vs. Bruce L. Brown?

16 A That's correct.

17 Q In the suit Washington Watch alleges that you have pro-
18 cured certain documents without their permission and
19 that you have no claim of right to these articles, is
20 that the basis of the allegations they made?

21 A That's the basis, right.

22 Q One of the allegations is you had procured a copy of an
23 agreement in which Washington Watch and Eugene McCarthy
24 agreed McCarthy would give rights to a book he was
25 writing so excerpts could be published by Washington

1 Watch and that the 51,000 or thereabouts dollars, would
2 be used as an option, so to speak, for rights to the
3 book. Do you have any knowledge of this?

4 A I have never seen that document. I am familiar, however,
5 with all the files at Washington Watch. I don't believe
6 the document really exists.

7 Q So to the best of your ability and recollection you have
8 never seen and know of no one who has such a document?

9 A That's correct.

10 Q Is Exhibit B then the only contrast between Washington
11 Watch and Eugene McCarthy that you have seen?

12 A There was another note similar to that but it only con-
13 tained the first \$15,000.00 in loans. This note then is
14 a consolidation of the earlier note. I did not make a
15 copy of the original note.

16 Q The first note covered the dates of June 17, '76, July
17 13, '76, and July 18, '76?

18 A That's correct.

19 Q Do you have any recollection of when that note was
20 signed?

21 A It seems to me it was signed before August of '76, if
22 I recall correctly.

23 Q Okay, I'm going to have Cathy mark this Exhibit C.

24 (Whereupon Exhibit C was marked.)

25 Mr. Brown, I hand you Exhibit C, and I

1 would like you to identify it from the top.

2 A This is a Xerox copy of the Washinton Watch's cash dis-
3 bursement journal, and it's dated September, 1976.

4 On this journal dated 9-1-76 is the
5 transfer to E. McCarthy for \$10,006.00; and on 9-16
6 there is a transfer to E. McCarthy of \$6,006.00.

7 Q Do you happen to know what the \$6.00 was -- a transfer
8 charge?

9 A It was probably some kind of wire charge.

10 Q When these were wired do you have knowledge if they were
11 wired to Senator McCarthy personally or one of the
12 various committees?

13 A I don't know if it went to him personally or to his
14 committees.

15 Q All right, let the record reflect the aforementioned
16 dates are also reflected in the note which is Exhibit B.

17 And I'm going to ask Cathy to mark
18 Exhibit D.

19 (Whereupon Exhibit D was marked.)

20 Now, I am going to hand you the
21 Commissions' Exhibit D, and I would like to have you
22 identify this for me.

23 A This is also a Xeroxed copy of the Washington Watch's
24 cash disbursements journal for June 1976.

25 On this journal record dated June 17,

1 is a deposit for \$5,000.00. Also dated June 17 is,
2 under column amount of check, is a check for \$5,000.00
3 indicating it went to Eugene McCarthy.

4 Q Mr. Brown, how did you get these copies of this journal?

5 A I had those copies made. Those are journals that I was
6 using as business manager.

7 I was also the secretary of the corpora-
8 tion. During 1977, during the time I was working there
9 I frequently made xerox copies of documents in the file.

10 Q In your capacity of secretary for the corporation?

11 A That's correct.

12 Q How did you become secretary of the corporation?

13 A Mr. Poddar needed a slot filled on the corporate record
14 and he elected to put my name in that position.

15 Q Who's name was there before you?

16 A He had filed the '76 corporate record with his name as
17 the president, the secretary, and treasurer, and his
18 wife's name as vice-president so I just assumed he want-
19 ed an additional name on the forms.

20 Q But were you not replacing Mr. Diettrich or Wright?

21 A Mr. Diettrich was on the board of directors because
22 Michigan law requires there be three members on the
23 board of directors, and Mr. Poddar was---he had trouble
24 before, several years ago, with a board of directors.
25 They elected to remove him from the board of directors

1 so he was careful who he put on the board of directors
2 after that.

3 Q Okay, let the record reflect that the transfers Mr.
4 Brown noted on Exhibit D are also reflected as noted, on
5 June 17, 1976 on Exhibit B.

6 (Whereupon Exhibit E was marked.)

7 Mr. Brown, I will hand you Exhibit E
8 which I would like you to identify from the top, please.
9 A This is also a Xerox copy of Washington Watch's cash
10 disbursement journal for the month of August 1976.

11 Listed on this journal dated 8-2-76 is
12 a deposit of \$10,000.00. 8-2-76 also has a check written
13 for \$10,000.00 to Eugene McCarthy.

14 Q Mr. Brown, why does that have the October 12, '76 mark up
15 in the upper right-hand corner?

16 A Well, these journals were prepared as internal bookkeeping
17 journals for Washington Watch. We submitted this
18 information to accountants who prepared taxes and of-
19 ficial accounting records, and I assume that October
20 12th date is the return to the office.

21 Q Do you happen to know who the accountant was?

22 A I can get you that information.

23 Q Let the record reflect that the transfer on August 2,
24 to Eugene McCarthy is reflected in the note which is
25 Exhibit B.

1 With all of the Exhibits I have just
2 shown you, Mr. Brown, do you have any idea where the
3 money deposited before hand came from?

4 A I don't. I have a suspicion where it came from.

5 Washington Watch operated -- Educational
6 Subscription Service operated two front companies called
7 Zipcode Publication and Apps, A- p- p- s, Advertising
8 Agency. These two companies are not real companies in
9 that they don't pay taxes or don't file reports -- these
10 other corporations -- but they solicit, they appear to
11 solicit business, the purchase of lists.

12 When advertising space is purchased it
13 is standard practice in this business to get 15 percent
14 commission off the cost of the advertising. Educational
15 Subscription Service and Washington Watch in the course
16 of a year would place over three or four hundred thousand
17 dollars in advertising which would give Apps Advertising
18 Agency \$50,000.00 or \$60,000.00.

19 Q Were you directly involved with Apps or Zipcode Publica-
20 tions?

21 A Yes.

22 Q And what was the nature and extent of your dealings with
23 them?

24 A Apps and Zipcode didn't have employees as such, they were
25 a paper company. I filled out the forms and I filled

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1 out the purchase orders for these two companies.

2 Q You filled out the forms and purchase orders for Apps
3 and Zipcode?

4 A That's correct.

5 Q Did they have any other customers other than ESS?

6 A No, they did not, ESS and Washington Watch, and an
7 educational newsletter which was also a newsletter be-
8 longing to Poddar.

9 Q Apps and Zipcode were corporations?

10 A Apps doesn't have corporate existence. Zipcode does have
11 corporate papers filed with the State of Michigan.

12 Q Are you on the board of directors or an officer of either
13 of them?

14 A No.

15 Q Do you happen to know who the directors are?

16 A I have seen them once. I believe Mr. Poddar is the only
17 officer.

18 Q Mr. Brown, the third allegation is that the Washington
19 Watch made contributions in kind to the candidacy of
20 Eugene McCarthy in printing and circulating mail for the
21 campaign and in terms of writing various articles which
22 were designed to actively electioneer on behalf of
23 McCarthy. Is that an accurate summation?

24 A Yes, I do not believe they were reported to the Federal
25 Elections Commission as contributions.

1 Q Is Shrikumar Poddar the same as Kumar Poddar?

2 A Shri in Indian is something like Mister.

3 Q Did Mr. Poddar then solicit articles which were on the
4 candidacy of McCarthy and vowed to print these in the
5 Washington Watch to your knowledge?

6 A From talking with employees at Washington Watch Mr. Pod-
7 dar and John Boyles, who was an editor of Washington
8 Watch---in fact worked for six months prior to the cam-
9 paign of the McCarthy '76 headquarters in Washington,
10 D. C.---so they didn't have to solicit articles, they
11 made them in house.

12 Q The address of McCarthy '76, do you know it?

13 A I can get it for you. I think it would still have the
14 same address.

15 Q At the time was it 1440 North Street, N. W., Washington,
16 in the city---no, E. Washington.

17 A I believe so.

18 Q Who is Denise Burgess?

19 A Denise Burgess works at the Lansing Washington Watch
20 office. I have never met her. She was not employed
21 there when I was employed, but from things that she
22 signed, and the kind of files she kept, it is apparent
23 she did my job before I was there.

24 Q Did you ever in fact meet John Boyles?

25 A I met him only once, and that was in the Spring of 1977.

1 Q Do you have any idea how we can contact him?

2 A No, I do not.

3 Q Does the Washington Watch have a Washington office also?

4 A John Voyles did have a Washington office that was for
5 Washington Watch.

6 Q Do you happen to know where that is?

7 A No, I don't; that was closed before I worked there.

8 Q Mr. Brown, do you happen to know how many newsletters
9 are sent out by Washington Watch a week?

10 A Well, when I left it had a circulation of about 7,000.

11 Q How long has it been in operation?

12 A Since 1971, I believe.

13 Q And what is the price per subscription?

14 A It varies. When I left it was 12---no, \$15.00 for 50
15 issues.

16 Q Do they advertise subscriptions for Washington Watch
17 and ESS?

18 A Yes, all the time.

19 Q Could you summarize what Washington Watch is trying to
20 get across as a newsletter?

21 A It is a political newsletter designed to comment on
22 political affairs. It changes editors and political
23 focus frequently with the editors.

24 During the time Mr. Koffin was editor
25 he had a liberal perspective on political news. He

1 quarreled with Mr. Poddar and started his own newsletter.

2 Then Mr. Poddar had John Boyles and it
3 was far more conservative.

4 He left, and Ms. Kipper was hired, and
5 again it became leftwing or a more radical-liberal per-
6 spective.

7 Q Ms. Kipper then replaced John Boyles?

8 A Yes.

9 Q Now, Ms. Kipper was the managing editor?

10 A Yes.

11 Q So Mr. Boyles was also?

12 A Mr. Boyles and Tom M- e- c- h- l- i- n- g. Mr. Boyles
13 was located in Washington, and Mr. Mechling was located in
14 New York City. And Denise Burgess performed the function
15 of office manager and business manager, but Ms. Kipper
16 took the job and assumed some of the managing, as well
17 as editorial responsibilities.

18 Q So Mr. Mechling and Ms. Burgess and Mr. Boyles were all
19 employees of Washington Watch?

20 A That's correct.

21 Q Mr. Brown, you also allege that Apps and ESS made il-
22 legal contributions to the Committee for a Constitutional
23 Presidency and Eugene McCarthy by extending credit beyond
24 a commercially reasonable period. Would you tell me the
25 basis on which you allege that violation?

1 A The Apps Advertising Agency is not a registered or
2 officially recognized corporation. It is an in-house
3 agency that only does advertising, negotiates advertising,
4 for WashingtonWatch or Educational Subscription Service.
5 To my knowledge it has never solicited any outside bus-
6 iness advertisement so it is my assumption that any ad-
7 vertisement solicited for Eugene McCarthy and made by
8 Apps Advertising Agency was irregular business practice,
9 it didn't have precedent in the business.

10 Q You didn't happen to handle the books of Apps did you?

11 A I did not, no.

12 Q Do you know if Apps actually billed McCarthy for services
13 rendered?

14 A I never saw any bills for it, but it could have been
15 kept in a different location.

16 Q You did the books for ESS?

17 A No.

18 Q You don't have any direct knowledge of whether or not
19 ESS actually billed McCarthy for services rendered?

20 A That's correct.

21 Q Your complaint is based on the reports filed with the
22 Commission that are extensive debts which were slowly,
23 if at all, being repaid by McCarthy to both Apps and ESS?

24 A That's correct.

25 Q Do you have knowledge of whether or not ESS has other,

1
2 does other mailings for people other than Washington
3 Watch?

4 A I've never seen a mailing while I was there with any
5 other company other than ESS by Washington Watch or any
6 of the other assumed names of those two companies.

7 Q To the best of your knowledge do you know if Apps ever
8 had any other clients other than ESS or Washington Watch
9 or related companies?

10 A I have never seen any indication there was any other
11 clients involved.

12 Q Mr. Brown, who is Lawrence T-H-A-R-P?

13 A He was hired on or about November 1. At the time he was
14 hired he was hired by Educational Subscription Service.
15 I did not know his full duties or responsibilities but on
16 November 9, the day I was fired, Mr. Poddar said he was
17 indeed my replacement.

18 Q Have you contacted Mr. Tharp since the time you left
19 work?

20 A I have never spoken with him.

21 Q Mr. Brown, what is the status of your litigation with
22 Washington Watch?

23 A I recently was subpoenaed and gave a deposition to Mr.
24 Birch, the attorney for Washington Watch, and that's the
25 extent of movement in that case.

Q When Educational Subscription Service sends out mailings

1 which are not related to magazine subscriptions who de-
2 notes that as fund raising, or do they have a capacity
3 to raise funds by mailings, direct mailings or sollicita-
4 tions?

5 A They have that capacity, certainly. They normally raise
6 money through Washington Watch or through any of a num-
7 ber of front companies.

8 There is the Indian Foundation which
9 raises money, ostensibly to help Indian students, and
10 the Bangladesh Relief Fund, these monies were directly
11 controlled by Mr. Poddar, whatever monies came in.

12 Q Mr. Brown, just to summarize what we have gone over to-
13 day, to the best of your knowledge there are not con-
14 tracts, notes, or other agreements between Washington
15 Watch and Eugene McCarthy which would show the \$51,000.00
16 loaned Mr. McCarthy was actually an option to have first
17 rights to a book which Mr. McCarthy was writing?

18 A I have never seen anything of that nature for either Mr.
19 McCarthy or any other author.

20 Q And therefore you did not procure, convey, or take any
21 such document which Senator McCarty might have used to
22 rebut the inferences before the Commission?

23 A That's correct, I took nothing.

24 Q All the documents you supplied the Commission are photo-
25 copies and you left the originals?

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1 A Yes.

2 Q With respect to Apps Advertising Agency do you have any
3 knowledge whether or not Apps Extended credit to Senator
4 McGovern, did you go back to the '72 books?

5 A I really wanted to because the talk around Lansing was
6 Poddar was heavily involved with the McGovern campaign,
7 but those books weren't in the office so I had no oppor-
8 tunity to look at them.

9 Q You say that the Emergency Relief for Bangladesh and the
10 Indian Foundation, and the International Student Alliance
11 of Indians for Democracy, I believe, are front organi-
12 zations. Are they pet charities which Mr. Poddar raises
13 money to send to the various organizations?

14 A They are all -- the Indian Foundation, the International
15 Student Fund, I think are just simple fronts.

16 The Emergency Relief for Bangladesh Fund
17 did have an independent board of directors. They
18 chartered a plane and were flying foodstuffs into
19 Bangladesh. They became aware Mr. Poddar was using the
20 chartered plane for business purposes.

21 Q Do you have any knowledge of a Zolton F- e- r- e- n- c- y?

22 A Yes, I worked on his campaign.

23 Q Could you explain who he is, and what he campaigned for?

24 A He was the Democratic Party Chairman of Michigan in 1964
25 through '67, I believe, and in 1968 he broke with

1 Lyndon Johnson and campaigned for Eugene McCarthy.

2 In 1970 he was a candidate for Governor
3 on the democratic ticket and he lost that campaign. In
4 1970 then he broke with the democratic party and joined
5 the Benjamin Spock People's Party.

6 Q Do you know whether or not Apps Advertising extended
7 credit to Mr. Ferency?

8 A Zolton has never mentioned that he's ever had Apps or
9 any of Poddar's organizations raise money for him.

10 Q Did Educational Subscription Service do any mailing
11 solicitation on behalf of Mr. Ferency?

12 A I do not know.

13 Q And finally, you were manager, business manager, at
14 Washington Watch?

15 A Yes.

16 Q And as such you were in charge of maintaining the books
17 and records of Washington Watch?

18 A That's right.

19 Q And you were in close contact with Educational Subscrip-
20 tion Service?

21 A Yes.

22 Q And had worked there previously?

23 A Yes.

24 Q But did not have the responsibility for maintaining the
25 books and records of ESS?

1 A That's correct.

2 Q Who was the person responsible for maintaining the books
3 and records?

4 A Ellen Finn, she's their bookkeeper. The accountant was
5 the same accountant for Washington Watch, and I forget
6 his name.

7 Q How long has Ms. Finn been employed by ESS?

8 A Eight years, I think.

9 Q Do you happen to know who is in charge or responsible
10 for the books and records at Apps Advertising and Zipcode
11 Publications?

12 A I have never seen any books or records. I have seen a
13 checkbook that was always in Mr. Poddar's possession.
14 I don't think any books or records are kept.

15 Q Do you have any idea which bank is the depository for
16 the other organizations?

17 A They're in the same bank, I think. I'll get you the
18 name of that bank.

19 Q Okay, Mr. Brown, I have one last question so I hope you
20 will take it in the spirit which it's given; is there any
21 sort of vendetta that is the basis of your complaint
22 with the FEC based upon your termination with Washington
23 Watch?

24 A I don't think so. I am active in political circles and
25 I intend to stay active in political circles.

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1 documents which would implicate him.

2 Q What did you consider criminal activities?

3 A Well, for one thing campaign violations.

4 I helped him get postal rates for a non-
5 profit corporation with substantially reduced postal
6 rates, and I told him that the postal rate couldn't be
7 used for political candidates and campaigns, and that I
8 would be very upset if after I signed the documents that
9 in fact it was a non-profit corporation he turned around
10 and used it for gain, for political candidates.

11 Q Mr. Brown, who is Mark R. F-A-U-B-I-A-N?

12 A He's a reporter for the State News.

13 Q The State News, is that the newspaper of Michigan State
14 University?

15 A That's correct.

16 Q Is that only published during University time?

17 A That's correct.

18 Q And how did you get introduced to Mr. Faubian?

19 A I know alot of people in the Lansing area connected with
20 news media. After Mr. Poddar brought suit against me I
21 went down to Lansing to file some papers--- in answer to
22 the complaint and other papers, motions to dismiss and
23 I stopped into visit with some friends in the various
24 newspapers there.

25 They were curious as to what the suit

1 was about and so I talked to the editor of the State
2 News and apparently he assigned Mr. Faubian to follow
3 up on the story. And he called me when I was home in
4 Sault Ste. Marie and asked me some questions about what
5 was happening with Educational Subscription Service and
6 Mr. Poddar.

7 Q At that time you had just received an acknowledgment of
8 receipt of your complaint from the Federal Elections
9 Commission?

10 A No.

11 Q You had not received acknowledgment your complaint had
12 been received and we were going to act on it?

13 A I received a letter in December acknowledging that the
14 Federal Elections Commission had received my complaint.
15 After the suit I sent another letter and I asked how to
16 proceed, for advice on how to proceed, and didn't have
17 the letter in my possession at the time.

18 Q You didn't know at the time you spoke with Mr. Faubian
19 that all the Federal Elections Commission's investiga-
20 tions are confidential?

21 A No, I did not.

22 Q Now you do know they are confidential?

23 A Yes, I do.

24 Q Have you received notification from the Federal Elections
25 Commission that a complaint has been lodged against you

1 by Eugene McCarthy based on a confidentiality section of
2 that act?

3 A No, I have not received that yet.

4 Q Well, you will probably receive one shortly.

5 Let me just state for the record all
6 investigations by the Commission are confidential, the
7 reasons are obvious. Until we find whether or not there
8 is substance to an allegation, until the Commission
9 either closes the case via conciliation or votes probable
10 cause and initiates the suit against respondent then
11 that is confidential.

12 The fact of your suit with Washington
13 Watch is not within the confidentiality section. You
14 can talk about that, but as far as the Commission being
15 here today, and investigation, the deposition, and the
16 fact we are to speak with Ms. Kipper, this is to be kept
17 confidential.

18 A Okay.

19 Q So finally you're speaking to the State News was not
20 more or less in response to the suit which was filed by
21 Washington Watch against you?

22 A That's right, the suit charged that I had stolen docu-
23 ments pertaining to the books, contracts with Eugene
24 McCarthy, and I didn't want the newspapers to publish
25 that I stole books, contracts or reports with Eugene

1 McCarthy so I spoke with them in detail about what I
2 took, what Xerox copies I made, and what I did with them.

3 MS. VAN GELDER: I have no more questions.

4
5 (Deposition concluded).

6 -oOo-

7
8 STATE OF MICHIGAN)
9) SS
10 COUNTY OF CHIPPEWA)

11 I, CATHERINE H. RENNER, notary public
12 in and for Chippewa County, Michigan, do hereby certify that
13 I stenographically recorded the examination of BRUCE L. BROWN,
14 a witness in the foregoing matter; that prior to the taking
15 of said deposition, the said deponent was duly sworn to tell
16 the truth, the whole truth and nothing but the truth, and
17 that the foregoing deposition is a true and correct trans-
18 cript of the testimony of the said deponent.

19 I further certify that no request was
20 made that the foregoing deposition be submitted to the said
21 deponent for examination or correction by him or that he sign
22 the same.

23 *Catherine H. Renner*
24 CATHERINE H. RENNER,
25 Notary Public in and for Chippewa County,
 Michigan.
 My Commission Expires: 8-9-81.

Schedule C
1976
Federal Election Commission
1125 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

(see instructions on back)

Page 5 of 6
LINE NUMBER 27

(Use separate schedule(s) for each numbered line)

Name of Candidate or Committee in full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Committee for a Constitutional Presidency			
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Charles Tandy 102 Morris Drive Laurel, MD	Date (month, day, year): 8-24-76 Amount: 100.	\$ -0-	\$ 100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOANS Shrikumar Poddar 2601 Cochise Lane Okemos, MI 48864	Date (month, day, year): 9-2-76 + 9-15-76 Amount: 20,000.	\$ -0-	\$ 20,000.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND John + Susan Callahan 6234 SW Vermont Portland, OR 97219	Date (month, day, year): 3-76 thru 9-76 Amount: 1,091.92	\$ Converted to contribution by letter of 9-6-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN John J. Jackman 14890 Glastonbury Detroit, MI 48223	Date (month, day, year): 10-8-76 Amount: 500.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Lester + Mary Jane Moore 4848 South Alameda Corpus Christi, TX 78412	Date (month, day, year): 10-15-76 Amount: 1,000.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Elvera A. Johnson 2858 N. Mildred Ave. Chicago, IL 60657	Date (month, day, year): 10-22-76 Amount: 100.	\$ -0-	\$ 100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN Albert + Sarah Driscoll 689 Fairmount Ave. St. Paul, MN 55105	Date (month, day, year): 10-29-76 Amount: 500.	\$ 100.	\$ 400.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND Garnett Groh 130 Maria Ave. S. Connellsville, PA 15425	Date (month, day, year): 11-1-76 Amount: 14,000.	\$ -0-	\$ 14,000
Subtotal this period this page (optional)	\$	\$	\$
Total this period (last page this line number only)	\$	\$	\$
Carry outstanding balance only, to appropriate line of summary			

PLANNING
EXHIBIT
A 6-6-78
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NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan,
48910 has loaned the undersigned, Senator Eugene McCarthy,
the sum of \$51,000.00 (Fifty One Thousand Dollars Only)
plus interest at 7 1/2 percent per annum and payable in one
year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:

Eugene McCarthy
Senator Eugene McCarthy

Date:

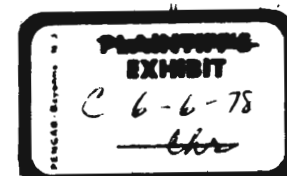
10/6/76

PLAINTIFFS
EXHIBIT

B 6-6-78
Ch

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
SEPT 1974

Date	Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
9 17	Post (Bus. Reply Mail)	1661	1894138		25000	
9 17	Post (Act Fee ")	1662	1896638		2500	
9 21	Post	1663	1862638		34000	
9 16	Deposit 9-87			4800		
9 16	9-88			3600		
9 16	" 9-89			3900		
9 16	" 9-90			1500		
9 16	" 9-91			6000		
9 16	" 9-92			1500		
9 16	" 9-93		1923948	45000		
8 27	Transfer E. McCarthy		923398		-1000600	
9 01	"		92202		1000600	
9 16	"		672902		600600	
9 16	Correction Line #20		507432	163370		
9 16	DEPOSIT		507432	600000		
9 21	" 9-94			93200		
9 21	"			450		
9 23	" 9-95			33000		
9 25	" 9-97			121050		
9 30	" 9-98			29950		
10 4	" 9-99		451148	82900		
9 21	POST 2NYCLASS	1665			34000	
9 27	THOMAS MECHLING	1664			90130	
		VOID 1665				
9 27	JOY SLEE	1666			5757	
9 27	JOHN BOYLES	1668			80000	
		VOID 1668				
9 30	MICK BELL	1669			11520	
9 30	DAN HINDS	1670			5017	50
10 6	M. Poddar - INTEREST	1671			184883	
10 7	STATE of MICH FILING FEE	1672	38761		10	420
					1968015	



25 24 23 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

Page 2

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
JUNE 1976

Date	Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. Re Payro
1	Brought Fwd		6596			
6-25	Deposit 6-56		31055	24459		
6-24	Denise Burgess	1597	15946		15309	1'
6-24	Dan Hinds	1598	-5827		21512	2
6-24	Charles Haynes	1599	-13094		7367	
6-24	Joseph Lee Watkins	1600	-15773		2659	
6-24	E. Leo Zamora	1601	-18317		2544	
6-24	Dan Hinds	1602	-20453		2136	
6-24	Denise Burgess	1603	-21753		1305	
6-17	Deposit			500000		
6-17	Eugene McCarthy				500000	

PLAINTIFF'S
EXHIBIT
J 66-78
Chen

25 24 23 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

PLANTIFF'S
EXHIBIT

E 6-6-78

Chs

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
AUGUST 1976

OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Brought Forw		135136			
8 2	Deposit 7-72		1135136	1000000		
8 2	Expense 3 Machinery	1640	135136		1000000	
8 2	Deposit 7-73		125136	200		
8 4	Deposit 7-74		157936	22500		
8 4	Deposit 7-75		186186	28250		
8 5	Dan Hinds	1641	164613		21573	215
8 5	Denise Burgess	1642	150310		14202	142
8 9	Tom Machinery	1643	65210		9500	
8 9	Deposit 8-76		130060	56750		
8 9	John Boyles	1644	42260		80000	
8 10	Deposit 8-77		44370	3610		
8 10	Deposit 8-78		105070	60300		
8 11	Deposit 8-79		106470	10100		
8 19	Deposit 8-80		275000	168530		
8 19	D Burgess (payroll)	1645	262205		12995	129
8 19	D. Hinds	1646	240632		21573	215
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81635		
8 25	Zip Code Pub.	1648	24383		84564	
8 25	Deletion WW subs	1649	16383		7500	
8 26	Post	1650	338617		355500	
8 27	Deposit		161383	500000		
8 30	Post Due Act.	1651	151783		10000	
9 1	Deposit 9-83		197523	46410		700
9 2	D. Hinds	1652	176250		21573	215
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		1733	
9 3	Deposit 9-82		281108	107030		
9 9	Deposit 9-84		318698	37590		
9 10	Post (2nd class)	1655	293698		200 00	
9 14	Deposit 9-85		392648	99950		
9 15	Deposit 9-86		492648	600000		
9 23	Deposit		1492648	1000000		
9 15	Tax Dep.	1656	1470768		21580	
9 15	Tax Dep	1657	1451182		19586	
9 16	D Hinds	1658	1429609		21523	215
9 16	D Hinds (mileage)	1659	1429138		471	
9 17	Post Due Act.	1660	1424138		5000	

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

SHRIKUMAR PODDAR)
WASHINGTON WATCH)
EDUCATIONAL SUBSCRIPTION SERVICE)
APP'S ADVERTISING AGENCY) MUR 485 (77)
EUGENE MCCARTHY)
COMMITTEE FOR A CONSTITUTIONAL)
PRESIDENCY)

D E P O S I T I O N

of SHRIKUMAR PODDAR, a witness called by the Federal Election Commission, taken before Nelva J. Harthorn, Shorthand Reporter and Notary Public, at the State Bar Building, 306 Townsend, Lansing, Michigan, on Thursday, June 8, 1978, noticed for the hour of 10:00 A.M.

FOR THE FEDERAL ELECTION COMMISSION:

BIZ VAN GELDER
1325 K Street N.W.
Washington, D.C. 20463

FOR SHRIKUMAR PODDAR
EDUCATIONAL SUBSCRIPTION SERVICE
APP'S ADVERTISING AGENCY

BIRCH, DEAN & HLUCHANIUK
301 MAC Avenue
East Lansing, Michigan 48823
By
KENNETH BIRCH, Esq.

ALSO PRESENT:

Elena King, Federal Election Commission.

Jean E. Ingram & Associates, Inc.
625 Farmstead Lane
Lansing, Michigan 48917
Telephone (517) 323-3422

Lansing, Michigan

July 14, 1978

A F F I D A V I T

RE: Deposition of Shrikumar Poddar taken June 8, 1978

SHRIKUMAR PODDAR
WASHINGTON WATCH
EDUCATIONAL SUBSCRIPTION SERVICE
APP'S ADVERTISING AGENCY
EUGENE MCCARTHY
COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

Signature of said witness was not waived. The original deposition was signed by the witness on July 10, 1978

Upon careful review of my original stenotype notes, there was an error of transcription and the original transcript has been changed as follows:

Page No. 9: Line 4,
45, "locked box" changed by witness to "lock box"
33: 4, "singlization" changed by witness to
"serialization"
24, "this" changed by witness to "his"
61: 25, "letters" changed by witness to "experience"
62: 6, "two" changed by witness to "three"

Upon careful review of my original stenotype notes, I misunderstood what the witness said, and the transcript has been changed as follows:

Page No. 18: Line 5, "Sueanne" to "Suzan"
6, "McDermick" to "McDermitt"
9, "McDermick" to "McDermitt"
22: 10, "Roger" to "Robert"
24: 10, "actually" to "factually"
28: 10, "new" to "news"
64: 1, "divided" to "diverted"
22, "expenses" to "experience"

1 The name of Eva Kipper was consistently misspelled as Kippur, and
2 the transcript has been changed as follows:

3 Page No. 25: Lines 10, 12, 20, and 25

4 26: Line 23

5 27: Lines 2 and 4

6 30: Lines 13 and 17

7 The following have been changed by the witness, but the transcript
8 has not been changed: (notes read as transcribed)

9 Page No. 40: Line 24, "yeah" to "yes"

10 51: 2, "yeah" to "yes"

11 52: 4, "that" to "TV"

12 54: 4, "yeah" to "yes"

13 61: 21: "included him on behalf of" to
14 "recommended him to"

15 64: 12, "there was" to "we were" and "on" to "any"

16 Nelva J. Harthorn

17 Nelva J. Harthorn, Shorthand Reporter
18 Notary Public, Eaton County, Michigan

19 Subscribed and sworn to before me, July 14, 1978, in Lansing,
20 Michigan

21 Priscilla Johnston (Lowes)

22 Notary Public in and for the County of
23 Ingham, Michigan.

24 My Commission expires: 10-4-78

EXAMINATION INDEX

	EXAMINATION	RE-EXAMINATION
BY MS. VAN GELDER:	3	68
BY MR. BIRCH:	57	--

EXHIBIT INDEX

	MARKED ON PAGE
Commission Exhibits A and B	12
" " C	14
" " D, E, and F	15
" " G and H	29
" " I and J	37
" " K, L and M	42
Respondent's Exhibit A	34
" " B	36

- - -
Lansing, Michigan

Thursday, June 8, 1978

10:17 A.M.

R E C O R D

S H R I K U M A R P O D D A R

having first been duly sworn by the Notary Public,
testified as follows:

EXAMINATION

BY BIZ VAN GELDER:

Q Will you please give us your name and address?

A. Shrikumar Poddar, 2601 Cochise Lane, C-o-c-h-i-s-e, Okemos, Michigan 48864.

Q What is your telephone number?

A. 351-6249, Area 517. My office is 393-0250, same Area Code.

Q Are you a resident of the United States, Mr. Poddar?

A. Yes.

Q A resident?

A. Yes.

Q Naturalized?

A. No, I am not a citizen.

Q You are not a citizen, but you are an alien resident?

A. Right.

Q When did you achieve that status?

A. 1971.

Q How long have you been in the United States?

A. Since 1959.

Q How did you happen to come to the United States?

A. To study.

Q Where?

A. Michigan State University, East Lansing.

Q What was your major at Michigan State?

A. I came to study engineering, but I changed to business

administration; and then I did my Bachelor's in social science, and then I did my M.B.A., and I was working on my D.B.A. when I left school.

Q And what made you decide to stay in Michigan?

A Well, while going to school, I started a business to support myself through school which became rather successful, so I decided to stay.

Q What is that business?

A Educational Subscription Service.

Q And what is the address of that?

A 3308 South Cedar, C-e-d-a-r, Lansing, Michigan.

Q Is the business phone number the same number as you stated before?

A I beg your pardon?

A Is the business phone number the same?

A Correct.

Q Is that the only business that you run?

A No, I also have Zip Code Publications, Incorporated. Those are the only two businesses. I am also involved in a number of charitable, non-profit institutions.

Q And could you just name a few of those?

A Washington Watch, for example.

Q And do you consider App's Advertising Agency a business or charitable?

A App's is a business which is a division of Zip Code Publications,

Incorporated.

Q Is one of your charitable organizations that you have either founded or are affiliated with the India Foundation?

A Right.

Q International Student Alliance?

A Students Foundation.

Q Indians for Democracy?

A That's not a charitable organization. It's a political organization.

Q And the Emergency Relief Fund for Bangladesh?

A No longer exists. That was an emergency organization.

MR. BIRCH: Are you asking whether he belongs to these, or are you just asking him whether he owns these or runs them?

MS. VAN GELDER: I don't count them as ownerships.

THE WITNESS: They are non-profit agencies.

Q (MS. VAN GELDER) Are you on the Board of Directors or a trustee of any of these?

A On some of them.

Q Which ones?

A The India Foundation, and I was on the Board of the Emergency Relief Fund, and I am on the Board of the International Students Foundation.

Q Are all of these organizations centered in East Lansing or

Lansing?

A. Not all of them. International Students Foundation is an Iowa corporation and the Emergency Relief Fund and the India Foundation are Michigan corporations.

Q How did you become acquainted with Eugene McCarthy?

A. I met him in 1968 at a Presidential campaign.

Q In Michigan?

A. No, I met him in Washington.

Q And you became friends?

A. Well, I don't know how you become friends to a person running for the Presidential office, but I became acquainted with him. I was working on his campaign then.

Q Well, did you maintain some sort of affiliation with Mr. McCarthy?

A. Yes, I have known him since '68, and I had occasion to meet him again in the next campaign in 1972, although I didn't do any work for him in the '72 campaign. I was working for George McGovern at the time.

Q How did you become officially connected with the McCarthy '76 campaign?

A. I volunteered my services.

Q And what were your duties and responsibilities in connection with the McCarthy '76 campaign?

A. I was principally responsible for fund raising.

Q And since you were involved in fund raising, did you have any

responsibility or signature rights with any bank or depository for McCarthy '76?

A. I did have a single bank account set up in Riggs, R-i-g-g-s, National Bank in Washington. This was to guarantee payment of proceeds from Senators' television fund raising appeal to App's Advertising Agency, and that was on the account for that limited purpose that I was authorized to sign on behalf of the campaign.

Q. How long did you maintain that authorization?

A. That was just for a very short period. The account was opened, I believe, in October of '76 and we closed the account sometime after the campaign, probably by December or early January.

Q. So you had authority from the Riggs National Bank to make a check out for McCarthy '76 and make it payable to App's Advertising, which you are the owner of?

A. Right. I am not the owner. I am an employee of the corporation. Zip Code Publications is the owner of App's Advertising.

Q. In your capacity with McCarthy '76, when you made out the transfers from McCarthy '76 to Riggs National Bank, do you have any idea why --

A. I did not make any transfers.

Q. From McCarthy '76 to App's through Riggs?

A. Through Riggs National Bank.

Q. Did you have any reporting responsibility once you made that

transfer?

A. Yes, all the statements of the bank and my transfers were sent to the Committee, and the Committee was kept fully informed.

Q. Do you have any knowledge of why the Committee for a Constitutional Presidency reported all of the disbursements that you made for McCarthy '76 to App's on their report instead of on McCarthy '76 reports?

A. I don't know how they would internally report those between the Committee and McCarthy '76, because I was not involved in that aspect.

Q. You were involved in McCarthy '76, right?

A. Well, I was involved in McCarthy '76, and I was authorized to open an account in the name of McCarthy '76, but the distinction of whether that account was for McCarthy '76 or the Committee for a Constitutional Presidency was not at my discretion. It was up to the people who were managing the bookkeeping and so on.

Q. Who gave the authority to open the account for McCarthy '76?

A. Jerry Eller, who was the Senator's Campaign Manager, E-l-l-e-r.

Q. So did you have any knowledge of how the money came into the account that you opened?

A. Yes.

Q. And how, could you elaborate?

1 A. The account received money from primarily two sources. One was
2 the television commercials that Senator aired, and the last
3 month of the campaign he had a box number where funds were
4 sent, and this was a lock box. The Riggs National Bank had a
5 key to the lock box. They were the only ones who had access
6 to the mailbox, and they would receive the proceeds from the
7 fund raising from television broadcasts, and their personnel
8 would open the money and deposit it. The second source was,
9 in the last week of the campaign, we were planning to air two
10 more television commercials for Senator McCarthy, and we had
11 made an appeal by mailgram and direct mail letters to people
12 who had already contributed to the campaign asking them to send
13 this money directly to the Riggs National Bank account to pay
14 for these commercials.

15 Q. Were the commercials and the direct mail appeals both handled
16 by Zip Codes through App's and E.S.S.?

17 A. E.S.S. was not involved because this was all handled by App's.
18 The direct mail portion was handled by E.S.S.

19 Q. Okay. We will get to that in a second. Just to recap a
20 second on the Riggs National Bank account, do you happen to
21 remember the account number?

22 A. No, I don't.

23 MS. VAN GELDER: I don't know if you want to
24 put this into evidence. Can I just show it to him to refresh
25 his recollection?

1 THE WITNESS: I have not seen this document
2 before, but there is an \$11,000 that was transferred by a wire
3 transfer from the Riggs National Bank to App's Advertising
4 Agency.

5 MS. VAN GELDER: Let the record reflect that
6 Mr. Poddar is looking at a Riggs National Bank transfer receipt
7 dated 11-3-76 in the amount of \$11,000 to be charged to the
8 McCarthy '76 account number 0108/181/598.

9 Q (MS. VAN GELDER) That account also has a second transfer
10 that I will show you that also has your name on it instead of
11 to be charged to McCarthy '76. Was this a joint account that
12 would say McCarthy '76 and Shrikumar Poddar?

13 A No, it was not a joint account.

14 MS. VAN GELDER: Let the record reflect that
15 Mr. Poddar is now reviewing Riggs National Bank transfer
16 receipt dated 11-3-76 in the amount of \$14,000. The account
17 to be charged is Mr. Shrikumar Poddar, account number
18 0108/181/598.

19 THE WITNESS: I think often the bank would
20 write the authorized signature's name on the account. I
21 notice the account numbers are the same on both of these
22 transactions.

23 Q (MS. VAN GELDER) That's why we wanted an explanation. So it
24 was not a joint account and was not intended to be as such?

25 A It had nothing to do with me personally.

Q Do you happen to know who the \$14,000 went to?

A That also came to the App's Advertising Agency.

Q Okay. Do you remember the exact date or thereabouts which this account was closed out?

A I don't know the exact date, but I think sometime in December.

Q You also had made telephone payments for the Wisconsin McCarthy '76 in Wisconsin, I believe?

A Not telephone payments. I loaned them a sum of money. I didn't know exactly what they were going to use it for. There was a convention involved with the McCarthy people in Wisconsin, and they were in need of some cash.

Q Do you happen to have any recollection of how the Wisconsin McCarthy '76 people came to borrow money from you?

A They called me and informed me of their desperate plight for more money, so I loaned them some money and that was it, to help them out.

Q To pay for the phone that they called you with?

A Well, I am sure that part of the money was used to telephone me and other people to encourage them to come to the Wisconsin meeting.

Q Mr. Poddar, I am going to show you in a second --

Could you mark checks 138 and 139 as Exhibits A and B, please?

THE WITNESS: Could we go back for a second? You were asking if App's Advertising Agency received money only

from the Riggs National Bank account.

MS. VAN GELDER: No, I am sorry. What I meant to say is, did you in your capacity as a signator --

THE WITNESS: Transfer the funds?

MS. VAN GELDER: Yes. It doesn't have to be the sole amount of funds that App's received in the McCarthy '76. It was just whether or not --

THE WITNESS: Right. There were funds received by checks from Chicago and from wire transfers from Pennsylvania.

MS. VAN GELDER: Off the record for a moment.

(Whereupon, off-the-record discussion.)

(Whereupon, Exhibits A and B were marked.)

MS. VAN GELDER: Back on the record.

Q. (MS. VAN GELDER) Mr. Poddar, I am going to show you the Commission's Exhibit A. It's check number 139 from the Riggs National Bank, and I would like you to identify it from the name on the upper left-hand corner.

A. Yes, that's my personal bank account, and that was part of my mailing address for McCarthy '76.

Q. So you used your personal bank account and put in Shrikumar Poddar and then McCarthy '76 next to it?

A. Yes, that was my mailing address.

Q. Would you please review the address?

A. 1440 N Street, Washington, D.C., 20005.

Q. Do you happen to know what the address -- McCarthy '76 business address is?

A. It was the 1440 N Street, N.W., Washington, D.C., 20005.

Q. So for a period of time you were using your Washington address as the McCarthy '76 headquarters?

A. Right.

Q. Do you remember that period of time in which you were using that?

A. I had an apartment in the same building where McCarthy's office was, and my apartment was 1420 N Street, N.W.; and to make sure that my mail gets forwarded to me rather than to my apartment address, I gave the office address of 1440 N Street, N.W. for my personal documents which I didn't want to lose; because often I would spend my time in Michigan and there would be nobody at my apartment to forward the mail, and I didn't want to file a change of address with the Post Office here because my newspapers and magazines used to come to my apartment address; and, therefore, I used my financial address for important documents. I used the McCarthy '76 office address.

Q. I think that I might be a little confused. The C.C.P. records reflect 1420 N.

A. Let me explain. During the campaign the 1440 address was the office address, and after the campaign, McCarthy moved into 1420 which is the present office address of the McCarthy campaign.

Q Looking at Exhibit A, could you explain or recollect what that transaction represents?

A Yes, check number 139 was a contribution to the McCarthy '76 in Michigan on October 25.

Q Of '76?

A Yes.

Q And could you identify Exhibit B, which is check number 138 from the same Riggs account?

A Yes, on October 20, 1976, I made a \$200 loan to McCarthy '76 in Michigan so they could put a deposit on their telephone which was subsequently repaid to me with an interest of \$1.12.

Q Do you remember when the repayment was made?

A In December, '76.

Q So when you made one to the McCarthy Michigan and McCarthy '76, did you realize that you were under the same contribution limits?

A Yes.

Q I will also show you Exhibit C that the Reporter may mark as Exhibit C.

(Whereupon, Exhibit C was marked.)

(Whereupon, off-the-record discussion.)

Q (MS. VAN GELDER) Mr. Poddar, I am going to show you Exhibit C which is a letter from Andrew Boehem, B-o-e-h-e-m, I believe. It's prepared on The Edgewater stationery on October 9, 1976.

A He was the treasurer of the McCarthy '76 Wisconsin state

organization.

Q What is this letter?

A I loaned him \$340, and he was acknowledging receipt of the funds.

Q And he states in this letter that he is going to pay you at a rate of eight percent within 90 days from today?

A Yes.

Q Did he in fact repay you?

A No, they wanted more money because they were in a deficit.

MS. VAN GELDER: Would you like to see this?

MR. BIRCH: I have a copy of that.

MS. VAN GELDER: I would like this to be marked, check number 360 to be marked Exhibit D and the wire transfer on top Exhibit E.

(Whereupon, Exhibits D, E and F were marked.)

(Whereupon, off-the-record discussion.)

Q (MS. VAN GELDER) Mr. Poddar, I am now going to show you Exhibit D which is check number 360 from the East Lansing State Bank, and I would like you to identify this check which is made out by you.

A Yes, I made a \$1,000 contribution to the McCarthy '76 campaign on February 27, 1976, and that was the date I officially volunteered in the campaign, although I had been offering my services prior to that.

Q So when you say, officially volunteer your services, you were

not remunerated in any way?

A. Right. I drew no salary except for reimbursement for expenses.

Q. Do you remember any reimbursements that you received?

A. I believe they paid some of the telephone bills. Some of the telephone bills were paid directly by the campaign even though the bill was made out to me.

Q. I would also like to show you Exhibit E which is a wire transfer from the East Lansing State Bank to the National Bank of Washington, Dupont Branch. Would you please identify that?

A. Yes, on September 16 I instructed my bank to wire \$5,000 to the Committee for a Constitutional Presidency in Washington, D.C.

Q. What was the basis of this \$5,000 that you loaned them?

A. That was to complete a \$20,000 loan I had agreed to make to the Committee for a Constitutional Presidency. I only had \$15,000 available in my checking account in Washington, so for the \$15,000 I wrote them a check and \$5,000 was wired to them.

Q. Okay, you don't have a copy of the check here?

A. As I explained, the copy of the check was sent along with the bank statement, I presume, to my Washington address which was care of the McCarthy '76 campaign; and I don't ever recall receiving either the bank statement or the cancelled checks that accompanied it, but I do have a note that the Committee for a Constitutional Presidency signed and acknowledged receipt of the full \$20,000.

Q. Do you recall or recollect the circumstances behind the figure of \$20,000, how you came to --

A. Well, we had asked the Federal Election Commission for an advisory opinion -- not an advisory opinion, an opinion as to whether or not the Committee for a Constitutional Presidency under the Federal election laws would be treated as a functional equivalent to a political party; and we were told, after the issue was debated for at least a month or two, that the Commission's members -- three Republicans and three Democrats -- were deadlocked, the Republicans favoring the treatment of the Committee for a Constitutional Presidency as a political party for the purpose of election laws and the Democrats opposing it.

Q. When were you told this?

A. This was about that time in August and September when our need for funds was the greatest.

Q. Do you happen to remember the exact time?

A. It might have been as early as July or August, because I know we needed funds for getting the placement in the California ballot and completing the 100,000 signature requirement. So I agreed to make a \$20,000 loan to the Committee for a Constitutional Presidency upon the McCarthy attorneys' advice that even though the Election Commission didn't make a decision one way or another, it was their opinion that the Committee for a Constitutional Presidency qualified as a functional equivalent of a political party; and, therefore, I would not be

in violation of Federal election laws in making a contribution of loan.

Q Do you happen to remember the attorney that gave you that advice?

A Suzan was her first name, and she was married to one of the other campaign volunteers, McDermitt.

Q Was that the name, do you happen to know?

A She was married to John Tabori, T-a-b-o-r-i, but I think she used her maiden name, McDermitt.

MS. VAN GELDER: Let the record reflect that the advisory opinion which Mr. Poddar speaks of was submitted to the Commission on September 3, 1976, and the response from the Commission --

MR. BIRCH: Excuse me, counsel, are you reading?

MS. VAN GELDER: This is just to refresh my recollection.

MR. BIRCH: Well, what I am asking, are you testifying now?

MS. VAN GELDER: No, I just want to correct the date. He said early September or October, and I just want to give the correct dates. If you object, I will enter this into evidence.

MR. BIRCH: I am curious as to what it is.

MS. VAN GELDER: I was going to pass it to you.

7000

1 A. I received this note much later than that, and there was an
2 unsigned note that had only my signature that was not properly
3 made out. So I believe that whoever prepared this was simply
4 acknowledging the receipt of the funds in September rather
5 than to indicate that it was made on September 1st.

6 Q. And at the time that you made both transfers, the \$15,000
7 and the \$5,000, there was no mention at that time of any
8 interest? This was a separate loan to the McCarthy campaign
9 of \$5,000 and \$15,000?

10 A. I don't know if any interest is mentioned even in this note,
11 and a question was raised by us whether or not -- raised by me
12 whether or not this note is legally valid without an interest
13 rate or not; and I was advised that a note is valid even if
14 there is no interest rate.

15 Q. Mr. Poddar, there seems to be a discrepancy in the Committee
16 for a Constitutional Presidency reports on or about 9-15-76
17 in which they report a \$6,000 loan from you and you have
18 reported a \$5,000 transfer. To the best of your knowledge and
19 recollection, which amount is correct?

20 A. To the best of my knowledge I never made a \$6,000 loan or
21 contribution by either check or wire. It seems that they have
22 confused this with some other transaction they had internally,
23 and I am not aware of what that is, and I was advised
24 subsequently that they have filed an amended return to correct
25 that error.

Q. So Exhibit F represents to you all unsecured loans which you have ever made to the Committee for a Constitutional Presidency?

A. That's correct.

Q. Exhibit A, B and D represent separate contributions?

A. Correct.

Q. I am sorry. Strike that.

Exhibit A and D represent separate contributions and Exhibit B represents an additional loan?

A. An additional -- well, the only loan at that point in time was to the Michigan Committee.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Back on the record.

Q. (MS. VAN GELDER) Mr. Poddar, could you explain the origin and purpose of Washington Watch?

A. Washington Watch started in 1968 by a group called Businessmen's Move Against the War in Viet Nam which later became Businessmen's Move for Viet Nam Peace, and in 1971 they approached me to raise \$50,000 a year to support this publication which was distributed free to some three or 4,000 supporters of this group. I suggested to them that it should be marketed as a subscription newsletter to those people who were willing to part with \$10 or \$20 a year, and I did not feel good if we went ahead and raised the contribution when people who were receiving it didn't feel it was even worth this small amount. So in 1971, I became the

publisher of Washington Watch without any compensation, and I agreed to make an effort to make this newspaper self-sustaining; and I believe in either late 1971 or early 1972 it was incorporated as a Michigan non-profit corporation.

Q Who are the corporate officers of Washington Watch?

A. At the present time we have three people on our Board of Trustees, myself, my wife, and Dr. Raju, R-a-j-u, from Honolulu. He used to be in Michigan at the time of incorporation.

Q Does the name Robert Dietrich sound familiar to you?

A. Yes, Robert Dietrich was my administrative assistant, and he was a business manager of Washington Watch to assist me in discharging my obligations as publisher of Washington Watch.

Q He doesn't appear at all on any annual reports or lists as a corporate officer.

A. To the best of my knowledge, he should not have been.

Q Mr. Poddar, who is Denise Burgess? What are her duties and responsibilities?

A. Denise Burgess was a clerical person on the staff of Washington Watch, and I believe that she was supervised by myself and Eva Kippur, K-i-p-p-u-r.

Q And who is Miss Kippur?

A. Miss Kippur was an employee of Washington Watch for, I believe, about two years; and after being on our staff for a year, she had become managing editor of the paper in February, 1977 or

thereabouts.

Q Are you in the midst of some litigation with Miss Kippur?

A She calls it a suit, but she has filed a Complaint against me with the Michigan Civil Rights Commission charging sexual discrimination.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Back on the record.

Q (MS. VAN GELDER) Mr. Poddar, who is Thomas Mechling, M-e-c-h-l-i-n-g?

A He was one of the co-editors of Washington Watch. He is no longer there.

Q When he was a co-editor of Washington Watch, was he based in Michigan?

A He was based in New York.

Q Larchmont, New York?

A Yes.

Q What were the periods of Mr. Mechling's employment?

A Well, he was not an employee of Washington Watch. He was a contributing editor, and we paid him by the amount of material he wrote, like a free lance writer but we had a regular relationship.

Q And so would it be possible for Mr. Mechling to send a copy both to you in Washington and to someone like Denise Burgess in Michigan?

1 A. Yes, Tom always used to send all his copies in Michigan, one
2 to my home address and one to the Washington Watch office
3 address. The original copy that went to the Washington Watch
4 address used to go for typesetting immediately upon arrival,
5 and I would simply read his manuscript to make sure that the
6 copy was acceptable editorially for our publication.

7 Q. Do you have final rights of review on all copies submitted to
8 Washington Watch?

9 A. Yes, as publisher I have both legal and personal responsibility
10 to insure that our information in the publication is actually
11 correct and we are not engaging in libel and slander; but I
12 can tell you this, I don't recall having to exercise that
13 authority on more than one occasion in Washington Watch.

14 Q. Who is John Boyles?

15 A. John Boyles was the other editor based in Washington. He and
16 Tom Mechling were writing alternate issues of Washington Watch
17 for a period of a year, year and-a-half.

18 Q. And their responsibilities would alternate?

19 A. They would write an alternate issue, and on occasion, if they
20 had vacation or personal problems, they might agree to switch
21 their issue writing.

22 Q. At this time was Washington Watch a weekly?

23 A. At that time -- well originally when Mechling and Boyles became
24 editors, it was a semi-monthly publication which did not make it
25 very remunerative for either of them, so we expanded to weekly

1 publication partially to accommodate our editors' needs and
2 also the subscribers indicated they didn't feel Washington
3 Watch was coming frequently enough. So it seemed like a
4 worthwhile thing to do.

5 Q How many subscribers did Washington Watch have?

6 A At the present time, we have about 6,000.

7 Q Do you happen to know where Mr. Boyles is now?

8 A I don't know, but I presume he should be in Washington.

9 Q Mr. Poddar, who is Bruce Brown?

10 A Bruce Brown was a boyfriend of Eva Kipper who was an employee
11 of Washington Watch for a long period of time. We were in
12 need of a business manager, and Eva Kipper suggested that her
13 boyfriend was available to work part time; and he was drawing
14 unemployment at the time, and he didn't want to work more than
15 20 hours a week, otherwise he would be disqualified from
16 unemployment.

17 Q What were his duties as business manager of Washington Watch?

18 A Well, Bruce, when he joined the staff as business manager, he
19 indicated that he didn't feel he was qualified to do the job.
20 Both Eva Kipper and I said, you will really be assisting and
21 helping out and we will help train you to do the circulation
22 promotion and bookkeeping and billing and renewal of Washington
23 Watch.

24 Q And who were his supervisors?

25 A Both myself and Miss Kipper.

Q To the best of your knowledge and recollection, did Mr. Brown ever work for E.S.S., Educational Subscription Service?

A He had worked in the mailing room of E.S.S. as a temporary help.

Q At the time of his employment at Educational Subscription Service, did he exercise any control of the business records of E.S.S.?

A No, not in his official capacity.

Q And in his official capacity as business manager, did he have access and control over books?

A He had complete access to business records and all books of Washington Watch.

Q Mr. Poddar, who is --

THE WITNESS: I would like to say that Mr. Bruce Brown was not employed in 1976. His employment began sometime in the second half of 1977 and terminated a few months thereafter.

MS. VAN GELDER: Let the record reflect that Mr. Brown was apparently employed by Washington Watch between the dates of June, 1977 and November, 1977.

THE WITNESS: That would probably be correct.

Q (MS. VAN GELDER) Around the time of Mr. Brown's release from Washington Watch, was Miss Kipper also released?

A Mr. Brown chose to resign from Washington Watch in a highly emotional state of agitation and unhappiness over an editor

whose function was to guide the editorial direction of Washington Watch, thereby placing him above Miss Kipper; and I accepted his resignation, because he said that he did not feel like doing any work and he would not do any work. Miss Kipper who was also unhappy about the appointment of an editor who would have supervisory responsibility over her, however, indicated that she was not going to resign and that she would give the new arrangement a couple of months' trial period. Subsequently, however, her attitude became such that we had to fire her because she refused to carry out her responsibilities.

Q Are you also in litigation with Mr. Brown or closing litigation with Mr. Brown?

A Yes.

Q Mr. Poddar, could you explain Washington Watch's relationship with Robert Ourlian?

A Robert Ourlian was retained as a research assistant to Senator McCarthy to help him in completing the book that Washington Watch had agreed to collaborate with Senator McCarthy on, and I knew him from his student days at Michigan State when he was the managing editor of the Michigan State University student newspaper; and I recommended him to Senator McCarthy for this job, and Washington Watch agreed to pay half of his stipend and his expenses and collaborate on this book project.

Q Can you step back for a second and relate the beginning of your involvement with Washington Watch and Eugene McCarthy with

regard to this book?

A. I think I gave in great detail at the origin my involvement with Washington Watch going back to 1971.

Q. Concerning the book?

A. Concerning the book? Well, during the campaign I read a news clipping in McCarthy's office giving Jean Dixon's prediction that Senator McCarthy's next book would be a bombshell and it would be on the best seller list; and since Washington Watch had accumulated some deficit, apart from the financial interest of Washington Watch, this news item spurred in me the idea that Washington Watch ought to collaborate with Senator McCarthy on a book project that would make the American political system more responsive, and so we entered into negotiations with Senator McCarthy as to how we could bring a book out which was not simply a book limited to his '76 campaign but really talked about issues at large in the American political system.

Q. When did you start negotiating?

A. Sometime in the summer of 1976.

Q. What was Washington Watch going to do with this book?

A. Well, we were going to help him bring out this book and market it, even though we were not set up as a book distributor, but we were willing to make a loan to Senator McCarthy's '76 in the amount of roughly \$50,000. After the campaign got over, Senator McCarthy would sign a contract with us to get in the specifics. We did obtain several model contracts for book

1 publishing from various organizations including The
2 Guild in New York. They were so voluminous and detailed
3 Senator simply had no time to sit down and have a detailed
4 negotiation. Would you like me to continue?

5 Q Yes, we can expound on that.

6 I would like to have these marked. I believe
7 this would be Exhibit G. This is the Note of October 6, 1976
8 and a Note dated October 12, 1977 would be Exhibit H.

9 Off the record.

10 (Whereupon, off-the-record discussion.)

11 (Whereupon, Exhibits G and H were marked.)

12 Q (MS. VAN GELDER) Mr. Poddar, I am going to hand you Exhibit G,
13 which is a Note of October 6, 1976 which was signed by
14 Senator Eugene McCarthy. Would you identify this and the
15 circumstances surrounding it?

16 A This was a Note that I typed up in Wisconsin simply to catch
17 up with the fast-running Senator to acknowledge his indebtedness
18 to Washington Watch for a total sum of \$51,000 that was loaned
19 to him on various dates starting on June 17 to September 16,
20 1976.

21 Q If we can take these dates one by one, on June 17, 1976, you
22 loaned to Mr. McCarthy \$5,000. Was this \$5,000 at the beginning
23 of your negotiations?

24 A Well, there was a period of time that we were simply
25 negotiating on how to collaborate on this project, and a sum of

1 money of around \$50,000 was discussed but we had not fully
2 agreed that it would be \$50,000 or less; and we had not signed
3 any detailed contract. We were in the process of obtaining
4 detailed contracts from various sources because those contracts
5 were so detailed and the Senator did not have the time. Both
6 Senator and I, on behalf of Washington Watch, agreed that the
7 best interests of this project would be served if we simply
8 exchanged a letter of agreement stating that Washington Watch
9 would loan him a sum of money, not specifying how much, and
10 would collaborate on this book project and share both expenses
11 and profits from this project 50/50.

12 Q Do you know the whereabouts of this letter of agreement?

13 A This letter was given to Miss Eva Kipper who was an employee
14 and business manager of Washington Watch for safekeeping. She
15 was given, however, only a xerox copy of the note and the
16 original note which is marked Exhibit G I put in my fireproof
17 safe for well keeping. Subsequent to Miss Kipper and Bruce
18 Brown's departure, that entire McCarthy book project file folder
19 was missing which contained that letter. However, since the
20 original of the note was in my safe, I was able to retrieve it.

21 Q Was Mr. McCarthy given a copy of the letter?

22 A I am not 100 percent positive. I believe that he was, but it's
23 possible that he was not.

24 Q The transfers of money that are indicated on the note marked
25 Exhibit G appear to be semi-monthly transfers or at least two

1 per month for the summer months of July, August and September
2 of 1976. Was there a pre-determined date of transfer of money,
3 or how did you affect the transfers?

4 A. I don't believe we had agreed to any particular definite
5 schedule, but it was understood that until the entire sum was
6 paid, Senator McCarthy could draw upon that \$50,000.

7 Q. And was this money -- sometimes it's \$5,000; sometimes it's
8 10; and once it's six. How was the amount ascertained? Did
9 he call you and say I need \$5,000 or \$10,000?

10 A. Yes, Senator would simply tell us he needed some money; and
11 as long as it was within the parameters of our agreement, we
12 would give him the money.

13 Q. These transfers which you made to the Senator, do you recall to
14 which account they were made?

15 A. I made the transfers to Senator's personal banking account.
16 I don't remember the name of the bank in Washington offhand
17 where he had a personal banking account, and this ran from the
18 East Lansing State Bank account of Washington Watch to Senator
19 McCarthy's personal bank account in Washington.

20 Q. Is there any reason why this Note which is Exhibit G does not
21 reflect the fact that there was a business agreement for a book
22 or consideration for a book involved in this note?

23 A. Well, this Note had no reason to mention a book contract simply
24 because until Senator signed a real contract other than a letter
25 of agreement, this was considered his personal indebtedness.

Now, once we signed a formal contract with him on the book project, this would relieve him of his responsibility and the new terms and conditions would be detailed in the new contract.

Q At any time during the negotiation of this note and transfer of funds during the election year, did anyone ever indicate to you that a transfer of funds, a personal transfer to the Senator, could be deemed a contribution to the Senator unless it was a business kind of transaction?

A No. Say that again?

A Unless it was a business transaction, a sum of personal indebtedness to the Senator, that it could have been construed as a personal contribution?

A I was generally aware of that fact. I don't remember if this was brought to my attention specifically in relation to the book contract that a personal contribution to the Senator could be deemed as a political contribution to the campaign; but since this had nothing to do with the campaign and we were not even asking him to write a book about his campaign -- we were asking him to write a book about the American political system at large -- the possibility of that question was not considered.

Q All right. Did you ever in fact try to draw up and sign a contract?

A Well, we are in the process now of drawing up a detailed contract with him. Washington Watch and his attorney are drawing up a draft and other attorneys are looking at the draft.

1 Q But at the time of mid-summer of '76 you had received various
2 forms of contracts, but you had never actually set up a contract
3 which involved Washington Watch?

4 A Yes, those contracts had subjects such as serialization rights,
5 and they run -- I can't remember -- ten, 15 pages of fine
6 print; and we were really not proposing to enter into that kind
7 of a detailed contract with the Senator. We were going to
8 identify with some book publishers and sort of collaborate with
9 Senator McCarthy and a book publisher who would be best suited
10 for that kind of operation.

11 Q Mr. Poddar, you stated that there was a letter of agreement,
12 a copy of which you gave to Miss Kippur?

13 A Yes.

14 Q Do you happen to remember the date of that letter of agreement?

15 A Well, that was drawn up prior to the first transfer of funds in
16 June, so it might have been a week or two prior or it could have
17 been just a few days before. I have a memorandum that I have
18 prepared for you on the basis of my recollection only
19 yesterday, but the basic outlines are very clear to me in my
20 memory that we agreed to advance him a sum of money which was
21 not specified in the letter; but we had verbally agreed that
22 it was to be in the neighborhood of 25 to \$50,000, and we had
23 inquired as to how much money he had received as an advance on
24 his previous book. He had received a \$100,000 advance from
25 Doubleday on his previous book, so we felt that on a book which

1 had a potential of becoming a best seller, \$50,000 would be a
2 pretty reasonable amount.

3 MS. VAN GELDER: Would you like to enter this
4 in or submit it to the Commission?

5 MR. BIRCH: We can enter this in.

6 THE WITNESS: I have no objection.

7 MS. VAN GELDER: Why don't we mark this as
8 Respondent's Exhibit A?

9 (Whereupon, Respondent's Exhibit A was marked.)

10 (Whereupon, off-the-record discussion.)

11 MS. VAN GELDER: Let the record reflect that
12 Mr. Poddar has handed us Respondent's Exhibit A which is a
13 memorandum, subject, Letter of Agreement, regarding McCarthy
14 book.

15 Q (MS. VAN GELDER) To the best of your recollection, this is
16 the circumstances of which you and Senator agreed to
17 collaborate on a book in which you would share the expenses and
18 profit of the book on a 50/50 basis?

19 A. By "I," you mean Washington Watch and not me personally?

20 Q. Yes.

21 A. Washington Watch entered into this agreement with Senator
22 McCarthy that we would share the expenses and profits of this
23 project.

24 Q. Can you please tell me when this memo was made?

25 A. I just prepared this memo yesterday, because my attorney advised

me that he would like to have in writing my recollection of the Letter of Agreement.

Q You wouldn't mind just dating it, then, for us?

A Shall I put today's date on it?

Q Put the date when it was prepared.

A (Writing.) Prepared on 6-7-78.

Shall I put my signature on it?

Q Sure. We will make sure you have a copy of this before you leave.

A All right.

MS. VAN GELDER: If I could just finish asking you questions about the actual notes involving the book, then we will take a break after I finish this, okay?

THE WITNESS: All right.

Q (MS. VAN GELDER) I am going to hand you Exhibit H which is a Note dated October 12, 1977 signed by Eugene McCarthy. Could you please explain this particular Note?

A Well, this is simply a renewal of the previous Note dated October 7, '76. We recognized that it was going to take longer than one year to complete the project and, therefore, Senator McCarthy indicated his desire to simply renew the Note for another year; so we made it a two-year Note.

Q Have you made any efforts in the interim between October '77--

A '76.

Q -- '76 to secure this, or had you been keeping monthly or regular

1 contact with Mr. McCarthy on processing the book?

- 2 A. I spoke a number of times and the Senator visited Michigan on
3 at least one occasion where he met Bob Ourlian, although at that
4 time we were not thinking of Bob Ourlian personally. One of
5 the first steps the Senator suggested in completing the project,
6 because of his busy lecture schedule, after the campaign was
7 over he wanted a research assistant to collaborate with him on
8 the work. So, after a period of two or three months' search,
9 we selected Mr. Robert Ourlian to serve as research
10 assistant, and I wrote a letter to him, which I have just
11 discovered a copy of, in October, '77 pertaining to Mr. Ourlian's
12 employment.

13 MS. VAN GELDER: Would you like to submit that?

14 MR. BIRCH: We can submit that as Respondent's
15 Exhibit No. B.

16 MS. VAN GELDER: Do you want the one with the
17 markings on it?

18 THE WITNESS: Yes, I would like the one with
19 the markings. You are welcome to Xerox it, but they are not
20 germane.

21 MS. VAN GELDER: We will have this marked
22 as Respondent's Exhibit B.

23 (Whereupon, Respondent's Exhibit B was marked.)

24 MS. VAN GELDER: Let the record reflect that
25 Mr. Birch has handed me a copy of a letter dated October 14, 1977

1 from Shrikumar Poddar, Publisher, Washington Watch, Inc. to
2 Senator McCarthy which was attached to the renewal of the --
3 a copy of the renewal of the Note which the Commission has
4 marked as Exhibit H.

5 THE WITNESS: And I may just point out that
6 this letter simply reiterates the understanding that we had
7 arrived at in the Letter of Agreement which was missing and
8 substantiates basically the same agreement.

9 MS. VAN GELDER: I would also like two more
10 Exhibits marked and then we will take a break. These will be
11 Commission's Exhibits I and J.

12 (Whereupon, Exhibits I and J were marked.)

13 Q (MS. VAN GELDER) Mr. Poddar, I am going to hand you
14 Commission Exhibit I, which is a photocopy of the journal of
15 Washington Watch dated June, 1976. Would you identify this?

16 A. What do you mean, identify it?

17 Q Is this a true and accurate copy of the journal from Washington
18 Watch?

19 A. I would not know because I don't normally handle the journal,
20 though, it looks normal to me.

21 Q I notice that on the notes that are down at the bottom a
22 transfer which is dated 6-17 in the amount of \$5,000 to Eugene
23 McCarthy. Does that accurately reflect a transfer that was
24 made from Washington Watch to Eugene McCarthy?

25 A. Yes, I believe so.

Q The day before, or actually the same day, there was a deposit of \$5,000 into the Washington Watch account. Do you happen to know from whence that money came?

A Well, I don't know about that specific \$5,000, but Washington Watch has a line of credit in the East Lansing State Bank against which we borrow, and we keep notes in our office and we draw upon it. Washington Watch also uses the Educational Subscription Service facilities for printing and mailing work and also borrows funds from the corporation for this.

Q Although these are two separate and distinct entities?

A Right.

Q If it's a line of credit from the East Lansing State Bank, would that line of credit be held against you personally, against Washington Watch, or against E.S.S.?

A The Washington Watch line of credit with the bank is personally guaranteed by me.

Q I would also like to show you Commission Exhibit J, which is an August, 1976 cash disbursement journal page from Washington Watch and draw your attention to the August 2nd, 1976 transfer to McCarthy. Do you recall anything to do with the transfer here?

A As I said earlier, I normally don't work with these pieces of paper, but they look all right to me.

Q And right before that on that same day, there was a \$10,000 deposit into the account. Are the circumstances surrounding

1 this deposit into the account similar, do you recall?

2 A. Yes, I believe they were all similar. Now, it's possible that
3 we had borrowed sufficient funds to take care of financial need,
4 and we were short of \$10,000 and --

5 Q. Without going into other Exhibits, is it possible that between
6 transfers of funds from the bank and Washington Watch and the
7 note, there might be a day or two discrepancy on the notes?

8 A. It's possible.

9 MS. VAN GELDER: Do you want to take a break
10 now?

11 THE WITNESS: Yes, sure.

12 (Whereupon, a brief recess was taken.)

13 Q. (MS. VAN GELDER) Mr. Poddar, we have touched on this before,
14 but I would like you to reiterate the relationship between
15 Zip Code Publications and App's Advertising Agency, how they
16 were founded, who the corporate officers are, and basically
17 what their functions are.

18 A. Well, Zip Code Publications has the same Board of Directors
19 that Educational Subscription Service does, and I and my wife
20 are equal stockholders. Both of us own 50 percent. They were
21 set up as a brother-sister corporation. They are not
22 subsidiaries of each other. We had a young man who was a
23 printer by the name of Gilbert Apps after whom App's Advertising
24 Agency is named and it has functioned as a division of Zip Code
25 Publications for some years. I believe it was a division of

1 Educational Subscription Service sometime in the past, but in
2 the period of time we had moved it for financial and business
3 convenience.

4 Q. How did App's Advertising Agency become involved in the
5 McCarthy '76 campaign?

6 A. We were asked to do television commercials for Senator McCarthy
7 in October of 1976 and early November, which we agreed to do,
8 and a special relationship was established by their Committee
9 for a Constitutional Presidency and the McCarthy campaign with
10 App's Advertising Agency in which we would be guaranteed payment
11 by the proceeds of the TV commercials that Senator McCarthy was
12 airing, pointing out that Independents did not qualify under
13 Federal election laws for matching contribution or for Federal
14 contribution unless after the fact of the campaign. Those
15 commercials which they had aired directly earlier had always
16 returned more than their original cost, so the agency would be
17 well protected in extending credit to Senator McCarthy for the
18 airing of these commercials.

19 Q. App's did not actually make the commercials; they purchased the
20 air time?

21 A. We bought the air time on behalf of the McCarthy campaign with
22 the networks.

23 Q. But somebody else actually did the production of the commercials?

24 A. Yeah, there is an advertising agency in Minnesota, Senator's
25 home state, which helped him in producing the commercials.

Q. When you purchased the air time for App's on behalf of the Senator, did you do this with a pre-determined commission or percentage involved?

A. We got the same commission that any advertising agency would get for what you would call buying the time, and we had offered an outside agency to share two-thirds of the commission since they did the creative work.

Q. What was the percentage of commission?

A. It was 15 percent, so they would get 10 percent and we would get five percent for financing and buying the time and administrative paperwork.

Q. Is 15 percent your normal advertising rate?

A. Fifteen percent is the normal for all kinds of advertising that you would do unless you are doing a special project.

Q. And was purchasing air time a normal adjunct of the App's business?

A. An advertising agency would place advertising on behalf of the client either on television or in printed media, newspapers and magazines. In this case we only purchased air time for Senator McCarthy.

Q. Is that the only time you have purchased air time?

A. I believe so. I think most of our advertising clients do print advertising as opposed to air advertising. We may have purchased radio time sometime in the past for some account.

Q. And did you do print advertising for Senator McCarthy also?

A. No, we did not do any print advertising in App's Advertising Agency.

Q. Whom did you purchase this air time from? Was this McCarthy for '76 or the Committee for a Constitutional Presidency?

A. McCarthy '76.

Q. Was there a contract?

A. There was no contract drawn up.

Q. Okay. There were invoices which were sent out?

A. Yes.

Q. Can you explain why in the production of documents which I will have marked Exhibits K and L --

(Whereupon, Exhibits K, L and M were marked.)

(Whereupon, off-the-record discussion.)

Q. (MS. VAN GELDER) I am going to give you Commission Exhibit K, which is a statement as of the 31st of December, 1976 to McCarthy for '76 campaign from App's Advertising Agency, and I would like you to compare it with Exhibit L, which is a statement as of December 31st, 1976 to McCarthy for '76 from the Educational Subscription Service.

A. Well, there is a very simple explanation. Zip Code Corporation has an agreement with Educational Subscription Service to provide all of their administrative personnel, so the same people are doing the work for this brother-sister corporation; and it's not unusual for them to mistake one for another inasmuch as the App's Advertising Agency once upon a time, when it was

started, used to be a division of Educational Subscription Service. So, when the error was caught on the subsequent statement, this was corrected on our records and not on the statement that was prepared.

Q Although this statement does not represent --

A It doesn't have anything to do with Educational Subscription Service. It's simply a typing error.

Q Do you happen to know why the same date, January 26, 1977, is stamped on the upper right-hand corner?

A I don't know what that date stamped is. Maybe it was prepared on that date and they simply made an error correction subsequently when the clerk discovered that.

Q Mr. Poddar, on Commission Exhibit K down at the bottom of the right-hand corner there is a notation that is dated 6-8-78 and it says, Present \$16,710.70.

A That is the present balance outstanding on this account.

Q Was that notation made yesterday?

A Yes, I made it yesterday and just put the date in.

Q So to the best of your knowledge, the McCarthy for '76 campaign owes App's Advertising \$16,710.70?

A That's correct.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Back on the record.

Q (MS. VAN GELDER) Mr. Poddar, we give you Exhibit M --

Commission Exhibit M -- which is again drawn against the Riggs National Bank of Washington, D.C., No. 1001, December 8, 1976. Could you identify the document and the purpose behind it, if you recall?

A. Yes, I wrote this check to pay the App's Advertising Agency from the proceeds of funds that were received in this special lock box account in Washington.

Q So the signature of Shrikumar Poddar in the lower right-hand corner does not represent a personal contribution to pay off App's?

A. No, this is a McCarthy '76 bank account on which I was authorized to sign.

Q And this was later closed?

A. Yes, this bank account was closed.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

Q (MS. VAN GELDER) Mr. Poddar, how often does App's Advertising Agency send out invoices to people who have outstanding balances?

A. What do you mean, how often?

Q Is it a normal business practice to send out monthly invoices of reminder?

A. Well, we don't necessarily send out monthly reminders. We try to deal with them on the telephone to insure us that our funds are collected because statements simply don't produce the

results and they just get filed.

Q. And how long do you, in your normal course of business, maintain a balance before you institute a suit to recover money?

A. If we felt that there was a good chance of recovery now, we would certainly institute a suit. At this time we have been informed that they are planning a benefit fund raising concert and they hope to raise the money to pay this off, and so instituting a suit at this time when the Committee has no funds to pay us would simply be throwing good dollars away for bad.

Q. Mr. Poddar, you stated before that App's did some work for Senator McGovern in '72. Did you extend the same credit to Senator McGovern that you did to Senator McCarthy?

A. I don't know what you mean by same. They were done under the same terms and conditions and amounts of 20 or \$30,000 was expended.

Q. For how long?

A. I don't know. I have all the files which I brought with me if you would like to review these.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: On the record.

Q. (MS. VAN GELDER) Mr. Poddar, I mean that App's would receive a 15 percent commission?

A. On any space media advertising that was done, and we did place some ads on behalf of the Senator McGovern campaign in various

magazines.

Q And you stated before that you also were involved in the Senator McCarthy 1968 campaign?

A Yes, I was.

Q How long did it take for Senator McCarthy to pay off his bill in '68?

A If I remember correctly, in '68 my company did a minimum amount of work for the McCarthy campaign directly other than maybe some mailing and rental of a piece of equipment; and I did extend personal credit in the McCarthy campaign in 1968 in the amount of \$24,000, and some of these payments stretched out three to six months. One bill which was personally guaranteed by me was only settled in 1971, about three years after the campaign.

Q When you say personally guaranteed by you, what do you mean?

A Well, in the '68 campaign, I made a personal guarantee to the supplier to give some service to the campaign and I would be responsible for the payment of these bills, and there was some \$30,000 of bills for which I was responsible. It was a source of some concern and anxiety, but they were all cleared up within a year or two after the campaign in full with the exception of one bill that was \$1500 which was settled for 50 percent three years after the campaign.

Q Did you also do work for a Zolton Ferency who was running for Governor of Michigan?

1 A. Well, we don't necessarily do work on a regular basis for him,
2 but we have done work for him and other local and State
3 candidates.

4 Q. And for obtaining media time for local and State candidates,
5 what would be your normal commission?

6 A. We have not done any media work for State and local candidates.
7 Usually they will go to local advertising agencies. We would
8 be doing mostly printing and mailing service kinds of work for
9 them, because we are used mostly for that type of work.

10 Q. And when you did work for Romney, did you obtain any media time?

11 A. We simply rented equipment to him.

12 Q. You also were involved with the Indians for Democracy?

13 A. Yes.

14 Q. What type of organization is Indians for Democracy?

15 A. This was formed when Mrs. Gandhi declared a state of emergency
16 in India to restore democracy, and so this organization is sort
17 of a government now that the democratic process has been
18 restored.

19 Q. Who founded this?

20 A. Well, I along with some of my friends who are Indian residents
21 of this country founded this organization.

22 Q. And how was this organization founded?

23 A. From volunteer contributions.

24 Q. And although you were one of the founders, you still did
25 business with the Emergency Relief, you still invoiced them as

if they were a regular client?

A. Well, usually all invoices or transactions where I was personally in a controlling position were approved by a Board member other than myself so that an arm's length status was maintained. Just like in the McCarthy campaign, all financial transactions between my company and the campaign were approved by Jerry Eller, the Senator's campaign manager.

Q. A Board member of your company?

A. No, Jerry Eller was not a Board member of my company.

Q. When you say a Board member for the Emergency Relief of Indians for Democracy, who was on the Board?

A. On the Emergency Relief Fund, we had a six-member Board. On the Indians for Democracy, we had a five-member steering committee, and expenditures were approved by them.

Q. When was Educational Subscription Service founded?

A. Educational Subscription Service was founded in 1960 or '61.

Q. By whom?

A. By me.

Q. And who are the controlling stockholders of Educational Subscription Service?

A. Myself and my wife.

Q. Is that also a 50/50 basis?

A. Yes.

Q. Who are your corporate officers?

A. My attorney is the Corporate Secretary, and his name is

Kenneth Smith; and my wife and myself, I am the Chairman of the Board, and my wife is President.

Q And this is incorporated in the State of Michigan?

A Yes.

Q And so is Zip Code Publications?

A So is Zip Code Publications. I think Zip Code Publications was formed in 1967 or '68.

Q Could you basically give us a description of what Educational Subscription Service does?

A Yes, we market magazine subscriptions at reduced rates for students and teachers by mail.

Q And is that all they do?

A Along with this work that we do of printing and mailing for local clients.

Q And would you do direct mailing fund raisers?

A Say that again?

Q Since you have a computer base, would you be able to do a direct mail for a particular client?

A Yes, we do direct mail fund raising for a particular client where we actually do the inserting and mailing service because we have equipment and facilities for that.

Q Did you do that for Senator McCarthy?

A Yes, I did that for Senator McCarthy.

Q What is the normal billing rate for doing direct mail solicitation?

1 A. Well, we bill any clients what it cost plus a mark-up to cover
2 the administrative overhead and profits.

3 Q. I am not very familiar with direct mail solicitations, but how
4 do you get the names for these solicitations?

5 A. Well, we, in this case in the Senator McCarthy campaign, did
6 not go to outside mailing lists; and so the direct mail
7 solicitations were already names of people who had contributed
8 to this campaign. In the McGovern campaign, we would rent
9 mailing lists from other list owners or magazine or subscriber
10 lists, and we would coordinate that. Normally the candidate
11 would procure the names themselves. We would simply get the
12 best contractual arrangement for the candidate on the market
13 for a mailing and production service, and my company's services
14 were used in extreme emergency cases or where we had a small
15 job to do where it was more practical to utilize my company's
16 service.

17 Q. But at any time, did you use your Educational Subscription
18 Service mailing list, people that subscribe to cut-rate
19 magazines for McCarthy?

20 A. I don't believe so.

21 Q. Also, Mr. Poddar, do you recall at any time whether or not you
22 sent out a fund raising solicitation from E.S.S., the proceeds
23 of which would be used to pay off E.S.S.'s bill to McCarthy?

24 A. Not on behalf of E.S.S.

25 Q. No, I mean on behalf of the McCarthy '76 campaign and the

proceeds which would pay for E.S.S. --

A. Yeah, we made a mailing on behalf of the McCarthy campaign to raise money for payment of the television ads to the McCarthy contributor list, and there were other mailings during the campaign, but they were not specifically designed to necessarily be earmarked funds for paying off the E.S.S. bill.

Q. But it's entirely possible that a portion of the money that you received through the E.S.S. solicitations would come back to pay off App's Advertising?

A. Some of the money would come back to E.S.S.

Q. Do you at any time remember that it was in total?

A. The only in total situation we had was where we set up the special lock box arrangement to pay App's Advertising.

Q. And that was with Riggs National Bank?

A. Riggs National Bank. See, there was a specific direct mail occasion paying App's Advertising Agency off.

Q. So that I can straighten this out, Exhibit M which is the Riggs National Bank account number 108181598 --

A. Right.

Q. -- this was a special account that was set up solely to pay off App's?

A. Right.

Q. And the money that went into this Riggs National Bank account was the result of a direct mail solicitation which had the box number on it?

A. As well as in addition to direct mail, the TV appeal for money which ran up to the end of the campaign on November 3 or 4 was also going to the same bank account. This represents a contribution from both direct mail as well as that.

Q. And App's bought the media time for the advertising on TV and E.S.S. sent out the mail solicitation?

A. Right.

Q. And the only monies which went into this account came from those two fund raisers?

A. Right.

Q. And the only money that went out went to pay off those bills?

A. Right.

Q. When you did your direct mail solicitations, what was the postal rate that was used at that time?

A. The rates keep going up, so it's hard to remember. For Senator McCarthy's campaign, I believe the rate was 13 cents on first class and 7.7 cents for bulk mail.

Q. And you would pay him the going commercial rate?

A. I would pay him?

Q. You would bill him?

A. I would bill him the going commercial rate except that for all non-profit organizations, we make a discount on our overhead charges of 25 percent. There is a small discount that they get, and this is extended to both political candidates as well as non-profit organizations.

Q. But at no time did you use the postal rates from Washington Watch for your E.S.S. subscriptions via E.S.S.?

A. No.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

Q. (MS. VAN GELDER) Do you happen to have a recollection of what the current balance is of what McCarthy owes to E.S.S.?

A. Well, to E.S.S. I think it's \$6800. We discovered two more invoices. I don't know if Ken explained that to you.

MR. BIRCH: Yes, we talked about that yesterday.

THE WITNESS: This is the statement that we had made before I went to India this trip. A young man who was our print shop manager who moved to Atlanta missed these, so there were two bills that I presented somewhat later to the campaign that they have agreed to pay us for. So these two are not reflected in that \$5,000 balance. It would be about \$6800 outstanding totally.

MS. VAN GELDER: Let the record reflect that Mr. Poddar was looking at two invoices which have been incorporated into the Commission's documents.

Q. (MS. VAN GELDER) So basically, McCarthy '76 owes approximately \$6800?

A. \$6700.

Q. Excuse me, \$6700?

A. To Educational Subscription Service and \$16,000 to App's Advertising Agency.

Q. And you are hopeful that you will receive 100 percent on the --

A. Yeah, we are confident of that.

Q. When is the last time you spoke to the McCarthy '76 people with respect to your bills?

A. I made three trips to Washington, and on two occasions I met with the Senator personally. I advised them of the urgency of the need for them to pay the funds and also gave them advice on how they could raise the money. I made a proposal to them of a direct mail concept of getting contributors to pledge \$5 to \$10 a month on a regular basis rather than on a sporadic basis, and that has had some results. They have also advised me that they have an offer from a celebrity, Carroll O'Connor, to put on a benefit concert sometime in the fall to pay this off. They have told me that the total debts to businesses, both corporations and unincorporated, is \$40,000 including the indebtedness to us, so it doesn't look like an insurmountable amount that they couldn't raise.

Q. If we can just recap a bit on Washington Watch as a newsletter, you stated that Messrs. Mechling and Boyles were co-editors at one time which time incorporated the summer of 1976?

A. Yes.

Q. On a number of occasions in the summer of '76, there were articles and interviews with McCarthy in Washington Watch.

1 A. There was only one interview, if I remember correctly.

2 Q. And that interview was conducted by Mr. Boyles?

3 A. Yes.

4 Q. Mr. Boyles was the editor?

5 A. Co-editor of Washington Watch.

6 Q. And, therefore, your responsibility as publisher was more of
7 a reviewer of that article than a solicitor?

8 A. Well, I did not solicit any editorial material for Washington
9 Watch personally, and that was the editor's responsibility.
10 I just wanted to make sure that the material that was printed
11 would be of interest to the readers; and we paid, I think,
12 \$400 for each article written by the editor about Mr. McCarthy,
13 and Mr. Boyles got the same amount of compensation for writing
14 the article.

15 Q. And Mr. Boyles worked part time as editor of Washington Watch?

16 A. Well, he worked -- since he was a free lance writer, he did not
17 have any specific hours, but I presumed this was his major
18 occupation which took more than part-time work on his part to
19 do the research and the writing and editing of his own work. I
20 did not do any editing of their work. I simply reviewed the
21 copy to make sure that they met with our objectives and
22 criteria.

23 Q. Did you know at this time whether or not Mr. Boyles was working
24 for Senator McCarthy?

25 A. He used to come into the office and offer to do drafts of

speeches for McCarthy.

Q. When you speak of the office, you mean the McCarthy --

A. The McCarthy '76 office. I had set up my own business office within the campaign, because I was not only a volunteer to the campaign, but I still had responsibilities for the two profit-making corporations and several non-profit organizations. So whenever I was out of Lansing and spending my time in Washington, I would have an occasion to meet Mr. Boyles to discuss Washington Watch business within the campaign office, and he would also be writing speeches for Senator McCarthy.

Q. Do you have any knowledge of whether or not he got paid by Senator McCarthy?

A. I don't know if he got paid for writing the speeches or not.

Q. Do you have any recollection of any time where Mr. Boyles would write something for the Senator which was also a good copy for Washington Watch and used by both?

A. I don't believe that there was a single occasion that Mr. Boyles wrote something for McCarthy which later was used for Washington Watch, except I know that we published Senator McCarthy's campaign platform which most of the major media had ignored; and we felt that in the public interest his platform should become better known.

Q. Do you have an official title in your capacity with McCarthy '76?

A. Well, Senator used to refer to me as the National Finance Chairman, and we sort of took it as a tongue-in-cheek

expression. The only occasion I had to use that title in the campaign was when I opened the bank account. A girl asked me what authority I had, and I said that I was the Senator's Financial Chairman, but I don't think that was taken seriously.

Q. Except by the bank?

A. Except by the bank, because my responsibility was to raise money along with the Senator himself and other people; and if I was the Finance Chairman, I probably would have had some authority on how the funds were distributed, but I never really had that authority on how the funds were spent. That was a decision made by Jerry Eller.

Q. So, in fact, the only money in which you had authority as National Finance Chairman was the Riggs National Bank account?

A. The Riggs National Bank account, right.

Q. And as you said before, the only money that went into there was proceeds from solicitations made by App's and Educational Subscription Service which went to pay off those bills?

A. Right.

MS. VAN GELDER: I have no further questions, if Mr. Birch would like to ask you a few.

MR. BIRCH: I just want to clarify a couple of things here.

EXAMINATION

BY KENNETH BIRCH, Esq.:

Q. Mr. Poddar, on the organizations that you belonged to, the

India Foundation, the Indians for Democracy, and the Students Foundation -- was that one of them?

A. And the Emergency Relief Fund for Bangladesh.

Q. Did you control any of those organizations?

A. Well, I was a Board member of some of those organizations, so I had some controlling responsibilities.

Q. But I mean, your single vote wouldn't control any of the agencies?

A. No.

Q. And there were other people that weren't related to E.S.S. or App's or Washington Watch on those?

A. Yes.

Q. Going back to this Riggs National Bank account, there was no money put in there that was indirectly put in from the Committee for a Constitutional Presidency, if you can remember?

A. I am not sure what you mean by that.

Q. The money from the Riggs National Bank account all came from solicitations of television commercials and --

A. In direct mail appeals.

Q. -- in direct mail appeals?

A. Right.

Q. And none came through the bank accounts of the Committee for a Constitutional Presidency?

A. Not that I am aware of.

Q. I want to ask you some more questions about the book that

Senator McCarthy was to write. Now, before you paid him any money, could you explain where the negotiations took place about the book?

A. Well, the negotiations about the book took place in Washington in Senator McCarthy's office.

Q. And you were working there at that time?

A. Yes.

Q. Okay. You said that there was a letter typed up by you. Could you explain the circumstances surrounding that letter?

A. Well, after we looked at the detailed contracts which required time consumption to read and to arrive at an agreement, it was both Senator's opinion and mine that it would be best if we were to simply exchange a letter of agreement; and I said I would absolutely have to have such a letter of agreement before I could give him any money, and so he agreed to the terms and I went to my typewriter and typed up a letter. I signed it on behalf of Washington Watch and he signed it, and I believe I made a Xerox copy and gave him a copy of that Letter of Agreement.

Q. All right. That was back before June when this first payment was made?

A. Yeah, this was back before June of '77.

Q. And this was made in his office, is that correct?

A. In his office, yes.

Q. Is there any circumstances -- was it done in a closed room or was it --

1 A. I don't think the room door was closed. Normally Senator
2 McCarthy was not long enough in his office to close the doors.
3 He was in and out, and it was quite a trick to catch him and
4 hold him down for five or ten minutes to discuss things.

5 Q. So you just cornered him one day and had him sign the letter,
6 and you believe you gave him a copy of it?

7 A. Right. I had discussed this project earlier with him, and he
8 had asked me to get some publisher contract sample forms and
9 it took some period of time to get it. We didn't find any
10 suitable form to meet our needs.

11 Q. Going back to Washington Watch, why did you decide it would be
12 important for Washington Watch to have the rights to this book?

13 A. Well, Washington Watch had over the years -- in the last seven
14 years -- accumulated substantial deficit, somewhere in the
15 neighborhood of \$100,000; and we felt that here was an
16 opportunity of recovering the money from the Senator through
17 the sale of Senator McCarthy's book if we could get a
18 percentage of profit out of the book. If the book was a
19 best seller, we could wipe out those debts because I had no
20 reasonable hope of recovering that money from the current
21 operation of Washington Watch which was under some financial
22 pressure.

23 Q. So you saw the book as a chance to relieve the Washington Watch
24 financial pressures, is that correct?

25 A. That's correct.

Q. And you are currently undergoing negotiations with Senator McCarthy to revise the original letter that you signed with him back in June, 1976?

A. Yes, that's correct.

Q. What do the preliminary negotiations indicate may be the result of the contract?

A. Well, the negotiations that we are having with Senator McCarthy are on two areas: Number one, modifying the terms of the agreement in such a way to relieve us from further financial obligation of paying expenses for completion of the book, because we have already spent money in the form of giving a loan as well as some expenses for hiring the research assistant, and McCarthy to assume those responsibilities himself; and number two, to get at least one chapter of the book written so we have a definite idea of what the book is going to be like, schedule a completion time of the book and make arrangements whereby our principle and interest can be paid off and we would have our share in the profits.

Q. The person you hired in the fall of 1977, is that person to work primarily with Senator McCarthy on the book?

A. I did not hire him. I simply included him on behalf of Senator McCarthy and sent him with the recommendation letter to Washington, and Senator was free to decide whether he was suitable for this job or not on the basis of his previous writing experience.

MS. VAN GELDER: You are speaking of Robert Ourlian?

THE WITNESS: Robert Ourlian, and if McCarthy decided to hire him, we had agreed as per our previous letter of understanding that we would pay half of the expenses, which we did for a period of three months.

Q (MR. BIRCH) All right, going back to the contracts between -- let's take App's first. Now, on 10-19-76, you incurred \$21,142.

I don't know what your designation of that statement is.

A. That is for a NBC five-minute television ad.

Q. McCarthy TV ad?

I don't know what Exhibit it is.

MS. VAN GELDER: It's Exhibit K.

Q (MR. BIRCH) Now, what was your expectation of having that money repaid?

A. Well, as I explained earlier, each commercial was returning more funds than what it was costing. So as long as the funds were going into a bank account out of which funds could not be withdrawn without my signature -- that was the arrangement we had agreed to for the repayment of that first television commercial. The second commercial that was aired only a week later was getting a little closer to election time, and we had demanded payment in advance for that.

Q From whom?

A From Jerry Eller, who was the campaign manager for Senator McCarthy, and Eller said that he had located the money.

Q Who did he say that to?

A He told me on the phone. I was back in Michigan at that time, and he called me and said he had got the funds promised and he would have the money on Monday but the payment had to be made 48 hours in advance. So he wanted to know whether or not I would go ahead and release a check in expectation of the \$21,000 which should come in. So that money -- really that promise fell through over the weekend and we were sort of stuck with \$21,000 which is what basically led to the \$21,000 balance; but from subsequent credits and payments, it's down to \$16,000.

Q So, this is the \$21,142 of 10-26-76?

A On 10-26-76.

Q So the money was promised to you by Jerry Eller?

A Right.

Q Did he give you any information on how he lined this money up?

A Well, he said that a group of contributors in New York City had promised him the money because they wanted to see McCarthy's name on the New York ballot, and McCarthy was very popular in New York. So he was fairly confident that the money would come. Now, I don't know if, for a fact, when he said it fell through that it really did, because he was also negotiating some money to pursue a legal suit in New York State; whether some money

1 promised for the TV ad was diverted for the purpose of getting
2 his name on the ballot; but, in any event, I was left holding
3 the bag for \$21,000.

4 Q If the \$21,000 that Mr. Eller had indicated he already had
5 promises for had been paid, would there be any deficit?

6 A No, actually there would be excess, in my understanding of the
7 debts, once my company was paid. Obviously the excess would
8 go into the campaign, because those funds belonged to the
9 campaign. So the subsequent two commercials that were aired
10 on November 1st were paid for, and for the November 1
11 commercials, I demanded and received cash in advance before we
12 aired them; because at that date in time, we were not going to
13 be on receipt for them. For that 10-26 commercial, we were
14 still under the receipt formula, and I am sure that some of the
15 money came from that commercial which is represented in that
16 \$5,000 check.

17 Q Now, as to the monies owed to App's and to E.S.S., have you
18 kept a constant vigil on those funds?

19 A Well, I probably speak to them twice a month when I am in the
20 Country. The only time there may have been lack of vigil are
21 the two months I was out of the Country.

22 Q In your experience with working with Senator McCarthy's
23 organization before and other political candidates that have
24 come to your office -- for instance, George Romney, Zolton
25 Ferency, and Senator McGovern -- have you had any problem in

collecting?

A. Well, we have been very fortunate which is sort of unique in this area, because I have read newspaper accounts of companies settling their bills for ten cents and 25 cents on the dollar; and we really have not lost money in the political field because of my close contact with the candidates. The McGovern bills of \$33,000 were paid in full except for \$23, and we did not see that \$23 as an amount significant enough to sue for it. It would cost us more to collect \$23. Romney paid his bill in full. Ferency paid his bill in full. On the Senator McCarthy '68 campaign I did not lose a single penny out of my pocket, and I was involved in something like \$100,000 of transactions in '68.

Q. Now, as far as your relationship with Senator McCarthy, is it a relationship of trust as far as financial matters are concerned?

A. I absolutely trust the man. I know that McCarthy's integrity and financial record is very good.

Q. Do you know anything about his bookkeeping procedure, his own bookkeeping procedures?

A. I don't know anything personally about his personal bookkeeping procedures other than the fact that he has a gal who handles it for him.

Q. So in your mind, you have no problems? In fact, you are confident that the money that was credited for E.S.S. and for

App's will be repaid?

A. Well, I have no reason to believe that it will not be repaid, because the Senator personally has assured me that he has every intention of repaying it, and he has assured me of his expectation of being able to raise that sum of money because it's not an extraordinary sum of money. He does have additional campaign debts which are to himself and other friends and which are present debts, but he has assured me that the business debts would take priority.

Q. Now, there might be some allegations or there might be persons on the Federal Election Commission that might think that the agreement concerning the book was done in a haphazard type of fashion. Could you explain why you didn't pin down Senator McCarthy on a more detailed, as you say, 30-page fine print book contract?

A. Well, it just simply was not possible to detail him and neither was I -- it was not my intention to necessarily enter into a detailed contract which a normal publisher would enter into. We were still trying to collaborate on the book project with him with the hope that another publisher who is in the business of publishing or distributing books would actually eventually sign the contract either with us or Senator McCarthy, and we would simply be entitled to take a part of the profits. So this would serve not only our interest in paying off accumulated debts, but also we would be doing a personal service which

would be comparable to the objectives of Washington Watch, a non-profit corporation, which is to improve the political system.

Q Did you have any fears at that time that because of a lack of a detailed or binding contract on Senator McCarthy that you would not be -- that he would not, number one, write the book?

A Well, I did have some concern about the timing on how -- whether the book would come out in time, and I felt maybe a year or two before the next Presidential election would be a good time for the book to come out; and knowing Senator's busy schedule, I have some concern about the time, and I still do at this period in time.

Q What about the fact that he would write the book?

A He had been known to be a good writer. He had written half a dozen books on the American political system and other subjects. And he does take time off and go off to his farm secluded by himself, and he is a good writer. I had no concern about the financial state of Washington Watch as long as I had a personal note and I knew that McCarthy owned a house which was worth some money and he was good for a personal note. As long as I had that security, I had no reason for worries that the financial interests of Washington Watch were not protected.

MR. BIRCH: I don't have any further questions.

RE-EXAMINATION

BY BIZ VAN GELDER:

Q Can you just verify two things for me? At one point you mentioned that with respect to Mr. Ourlian that you -- for a period of three months, you shared the expenses. What happened after that?

A Well, Senator got very concerned about having to pay interest on that note, and I had negotiated on his behalf with some publisher on a book contract, and he had better contacts. He said that he was going to take over the negotiations and Robert Ourlian subsequently has found another job, and he is working as a volunteer with McCarthy, but he doesn't get any compensation.

Q In your discussions with McCarthy on the book and on the proceeds of the book and the personal note which you made to McCarthy, did you know at the time that you made these loans to McCarthy that the money could go into his campaign?

A No.

Q You had no idea?

A Well, I sort of suspected that that was what he might do, because he was spending so much of his personal money on the campaign; but I also knew that to pay for his daughter's college education and to pay his mortgage and everything, he needed some money personally, so we did not discuss what he was going to do with the money. I simply agreed to provide him the funds that he

would require over a period of time as long as they didn't exceed a certain amount.

Q And how did he get this certain amount, the \$50,000?

A. Well, we generally discussed what kind of advances would be needed for a book, and I inquired as to what advances he had gotten. I had thought that he had gotten \$100,000 from Doubleday for his book in '68, and he had contracted to write another book for them which he was just finishing during the campaign. I don't remember the exact advance he mentioned, but it was somewhere between a \$25,000 and \$50,000 range.

Q Has he negotiated an advance with this book that we are discussing?

A. I am becoming aware that he negotiated an advance in the amount of \$25,000 for this book.

Q Is that with Harcourt Brace?

A. Yes.

Q Did you get a return on this advance from your investment?

A. Well, he is holding that in a special escrow account until such time as he and I come to a detailed agreement as to how this contract is to be signed. We are in the process of that right now.

MS. VAN GELDER: I have no more questions, and I thank you for your time and corporation.

THE WITNESS: Thank you.

(Whereupon, Deposition concluded at 12:25 P.M.)

- - -

Dated: July 10th 78

Shrikumar Poddar
SHRIKUMAR PODDAR

STATE OF MICHIGAN)
) SS
COUNTY OF EATON)

I, Nelva J. Harthorn, Shorthand Reporter and
Notary Public in and for the County of Eaton, State of Michigan,
acting in the County of Ingham, do hereby certify that the foregoing
Deposition was taken before me at the time and place hereinbefore
set forth.

I further certify that said witness was by me duly sworn in said cause; that the testimony then given was reported by me stenographically, subsequently dictated by me, and transcribed under my direction and supervision; and that the foregoing is a full, true, and correct transcript of my original shorthand notes.

I further certify that after the said Deposition had been so transcribed, the same was read over by the said witness, who did then and there subscribe and make oath again to the same in my presence.

IN WITNESS WHEREOF, I have hereunto set my
hand and seal this 10th day of July, 1978.

Nelva J. Harthorn
Nelva J. Harthorn, Shorthand Reporter and
Notary Public, County of Eaton, State of
Michigan.

My Commission Expires: 1-25-82.

WIRE TRANSFER

INSTRUCTIONS

EAST LANSING STATE BANK BY: Judy Bailey (9:05)

DATE 9/16/76

Transfer to National Bank of Washington D.C. - Dupont Branch
Attention: Mrs. Doyle for credit to the account of Committee
for Constitutional Presidency #1-261584

TRANSFER \$ 5,000.00

CORRES S/C

CORRES TOTAL 5,000.00

OUR S/C 6.00

TOTAL 5,006.00

GENERAL LEDGER ACCOUNT

153-14-6

DEPENDENT BANK
Manufacturers National Bank

TEST
Control #18504

CUSTOMER INFORMATION

ACCOUNT NO

00432073

Shrikumar Poddar
3308 S. Cedar #11
Lansing, Michigan 48900

E. Finn

*Copy to Mary Meehan
2-3-77*



EAST LANSING STATE BANK
WITH TRUST SERVICES
EAST LANSING, MICHIGAN 48906

McCarthy '76
One thousand only

SHRIKUMAR PODDAR

3308 S. CEDAR ST. #11
LANSING, MICH. 48910

2/27/76

4005-1

360

\$1,000

DOLLARS

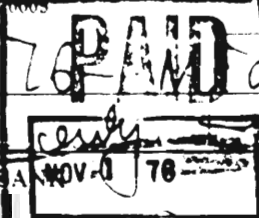
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SHRIKUMAR PODDAR (McCarthy '76)

1440 N STREET, NW.
WASHINGTON, D.C. 20005

PAY TO THE ORDER OF

McCarthy '76
Two hundred only
THE RIGGS NATIONAL BANK
WASHINGTON D.C.
15TH AND M OFF CE
1200 15TH STREET, N.W.



THE RIGGS NAT. BANK
OF WASHINGTON D.C.

0540000031 24 03895022 0138

139

15.3
540

DOLLAR

SHRIKUMAR PODDAR (McCarthy '76)

1440 N STREET, NW.
WASHINGTON, D.C. 20005

PAY TO THE ORDER OF

McCarthy '76
Two hundred only
THE RIGGS NATIONAL BANK
WASHINGTON D.C.
15TH AND M OFF CE
1200 15TH STREET, N.W.

THE RIGGS NAT. BANK
OF WASHINGTON D.C.

0540000031 24 03895022 0138

138

15.3
540

DOLLAR

Oct 20 1976

\$200.00

Shrikumar Poddar

00000020000

Exhibit C June 8, 1978

The Edgewater



P. O. BOX 490

MADISON WISCONSIN 53701

LAKE MENDOTA AT WISCONSIN AVENUE

To

Oct 9 '76

Shrikumar Poddar
2601 Cocuise Lane
Okemos, Mich

~~The Wisconsin Council~~

The McCarthy '76 - Wisconsin
agrees to pay the sum of \$340 to
you with interest at the rate of
8% within 90 days from today.

Arthur Becker
TREASURER

Exhibit F 6-8-76

NOTE

September 1, 1977

The undersigned committee herewith acknowledges receipt of a loan of \$15,000.00 (Fifteen Thousand Dollars Only) on September 2, 1976 from Shrikumar Poddar, and receipt of a loan of \$5,000.00 (Five Thousand Dollars Only) on September 16, 1976 from Shrikumar Poddar.

The undersigned committee herewith agrees to pay to Shrikumar Poddar the sum of \$20,000.00 (Twenty Thousand Dollars Only) by September 1, 1978.

Signed:

COMMITTEE FOR A CONSTITUTIONAL
PRESIDENCY

by



Mary Meehan, Treasurer

Accepted:


Shrikumar Poddar

Date

Exhibit C 6 3 78

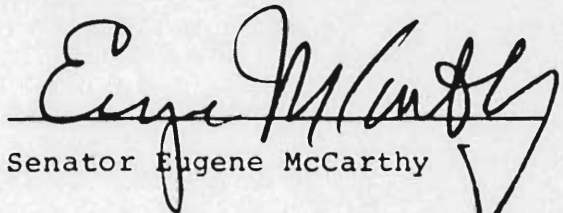
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan, 48910 has loaned the undersigned, Senator Eugene McCarthy, the sum of \$51,000.00 (Fifty One Thousand Dollars Only) plus interest at 7 1/2 percent per annum and payable in one year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:


Senator Eugene McCarthy

Date:

10/6/76

Exhibit H 6-8-78

Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

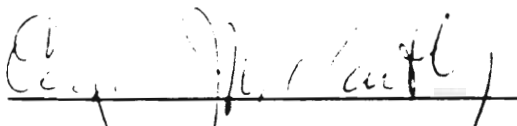
October 12, 1977

RENEWAL OF NOTE DATED OCTOBER 6, 1976

WASHINGTON WATCH, SOUTH POINT PLAZA, LANSING, MICHIGAN,
48910 HAS LOANED THE UNDERSIGNED, SENATOR EUGENE McCARTHY,
THE SUM OF \$51,000.00 (FIFTY ONE THOUSAND DOLLARS ONLY)
PLUS INTEREST AT 7 1/2 PERCENT PER ANNUM AND PAYABLE IN TWO
YEARS. THE FOLLOWING DATES AND AMOUNTS ARE:

6-17-76	\$5,000.00
7-13-76	\$5,000.00
7-18-76	\$5,000.00
8-3-76	\$10,000.00
8-27-76	\$10,000.00
9-1-76	\$10,000.00
9-16-76	\$6,000.00

SIGNED:


SENATOR EUGENE McCARTHY

DATE:

10-11-77

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
JUNE 1976

Calculated I
6-3-76

Date	Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. Net Payro
1	Brought fwd		6586			
2	6-25 Deposit 6-56		31055	24457		
3	6-24					
4	6-24 Denise Burgess	1597	15746		15309	1
5	6-24 Dan Hinds	1598	- 5827		21572	2
6	6-24 Charles Haynes	1599	- 13094		7067	
7	6-24 Joseph Lee Watkins	1600	- 15773		3679	
8	6-24 Eliseo Zamora	1601	- 18317		2544	
9	6-24 Dan Hinds	1602	- 20455		2136	
10	6-24 Denise Burgess	1603	- 21755		1325	
11						
12	6-17 Deposit			500000		
13	6-17 Eugene mcCarthy				500000	
14						
15						
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COLUMBIA WRITE

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
AUGUST 1976

OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Erhardt Fuel		135126			
8 2	Deposit 7-72		1135126	1000000		
8 2	Eugene J McCarthy	1640	135126		1000000	
8 2	Deposit 7-73		125426	300		
8 4	Deposit 7-74		157926	22500		
8 4	Deposit 7-75		186156	22250		
8 5	Dan Hinds	1641	164613	21573	21573	215
8 5	Denise Burgess	1642	150310	14303	14303	143
8 9	Tom Meehning	1643	65310		95000	
8 9	Deposit 8-76		122260	56950		
8 9	Janis Boyles	1644	42260		80000	
8 10	Deposit 8-77		44870	2610		
8 10	Deposit 8-78		105070	60200		
8 11	Deposit 8-79		106470	1400		
8 19	Deposit 8-80		275000	168530		
8 19	D Burgess (payroll)	1645	262225		12195	129
8 19	D. Hinds	1646	240632		21573	215
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81685		
8 25	Zip Code Pub.	1648	24383		845 64	
8 25	Delemon WW subs	1649	168 83		7500	
8 26	Post	1650	338617		355500	
8 27	Deposit		161383	500000		
8 30	Post Due Act.	1651	151383		10000	
9 1	Deposit 9-83		197823	46440	142383	703
9 2	D. Hinds	1652	176250		21573	215
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		17 83	
9 9	Deposit 9-82		281108	107236 ✓		
9 9	Deposit 9-84		318698	37590		
9 10	Post (2nd class)	1655	298698		200 00	
9 14	Deposit 9-85		392648	99950 ✓		
9 15	Deposit 9-86		992648	600000 ✓		
9 03	Deposit		1492648	1000000 ✓		
9 15	Tax Dep.	1656	1970768		21580	
9 15	Tax Dep	1657	1951182		19586	
9 16	D. Hinds	1658	1929609		21573	215
9 16	D. Hinds (mileage)	1659	1929138		471	
9 17	Post Due Act.	1660	1924138		5000	

Exhibit K 6-8-78

UNCLASSIFIED

STATEMENT

MCCARTHY TV AD

APPS ADVERTISING AGENCY
South Point Plaza
Lansing, Michigan 48910

TO: McCarthy for '76
1440 N Street, NW
Washington, D.C. 20005

as of December 31, 1976

Date	Invoice #	charged Amount	Credit	Balance
10-19-76	019260	\$ 21,142.00		
10-26-76	019440	21,142.00		
11-1-76	019441	7,322.00		
11-1-76	019526	18,875.00		
11-3-76	Wire transfer McCarthy '76 Wash, D.C.		\$14,000.00 ✓	
11-2-76	check-Chicago Dick Smith		2,000.00	
12-8-76	Check-Wash.DC McCarthy '76 Wash, D.C.		5,588.00	
(11-1-76)	Wire transfer Comm for Const- Connellsville, Pa.		14,000.00 ✓	
11-3-76	Wire transfer Wash.D.C. McCarthy '76 Wash, D.C.		11,000.00 ✓	

\$68,481.00 . \$46,588.00 \$21,893.00 12-31

Project \$16,710.70 6-8-78

Exhibit E 68-78

JAN 20 1977

STATEMENT

McCARTHY TV AD

EDUCATIONAL SUBSCRIPTION SERVICE
3308 S. Cedar Street, #11
Lansing, Michigan 48910

TO: McCarthy for '76
1440 N Street, NW
Washington, D.C. 20005

as of December 31, 1976

Date	Invoice #	charged Amount	Credit	Balance
10-19-76	019260	\$ 21,142.00		
10-26-76	019440	21,142.00		
11-1-76	019441	7,322.00		
11-1-76	019526	18,875.00		
11-3-76	Wire transfer McCarthy '76		\$14,000.00	
11-2-76	check-Chicago Dick Smith		2,000.00	
12-8-76	Check-Wash.DC McCarthy '76		5,588.00	
11-1-76	Wire transfer Comm for Const- Connellsville, Pa.		14,000.00	
11-3-76	Wire transfer Wash.D.C.McCarthy '76		11,000.00	
		\$68,481.00	\$46,588.00	\$21,893.00

1001 6078

Dec. 8, 1976

5,588.00

The sum of 5588 dol's 00 cts

Drinking water

The RIGGS NATIONAL BANK
OF WASHINGTON, D. C.
MAIN OFFICE
1503 PENNSYLVANIA AVENUE, N. W.

86598980...90 :f000...0750:

0088550000

Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

MemorandumSUBJECT LETTER OF AGREEMENT REGARDING McCARTHY BOOK

This is my recollection of what was in the letter of agreement between Sen. McCarthy and Washington Watch.

The two parties agreed to undertake a serious book on state of American political system and publish a book about this subject sometime after the 1976 Election Campaign.

It was agreed that Sen. McCarthy would write the book after the campaign of 1976 got over and will sign a detailed contract with Washinton Watch about this project.

Washington Watch agreed to advance some funds to Sen. McCarthy on loan basis until the detailed contract was signed.

Washington Watch and Senator McCarthy agreed to share the expenses and profits of the book on 50/50 basis.

prepared 6-7-78

Indrakumar Poddar, Publisher
Washington Watch Inc.

C O P Y

Responant's Exhibit B

6 8-78

October 14th 1977

My Dear Sen. McCarthy:

Attached with the letter is a copy of the renewal of the note of last year as per your request.

I will appreciate if you will sign the same and return the original to me wither by mail or with Mr. Gurlian.

After you have had a chance to interview with Mr. Gurlian, I would like to discuss with you the specific details of his assignment.

As you know, I will be leaving for India next year in July, I would like to see the book project in competent hands as far as business end is concerned.

I have contacted several publishers and they have all said that they cannot discuss any advance until we have a strong outline of the book, its rationale and also one or two chapters written.

In order to have the book ready for publication in Fall of 1977...the manuscript is due by end of this year or certainly very early the next year.

Mr. Gurlian's salary requirements are less than \$ 200/week and say for six to eight months assignment we are talking about \$ 5,000 to \$6,600 for his salaries plus expenses.

My own financial position after the Indian elections is not very good and Washington Watch continues to have large accumulated deficits.

The question to be decided is how much will cost in time and money to get to an outline stage plus one chapter of the book AND afterwards if we wish to consider selling the rights to a publisher or publishing the book ourselves.

I would like your views on both of these questions.

Let us hope this book breaks all bestseller records.

With fondest regards and appreciation ,


Sincerely yours,

Shrikumar Poddar

Shrikumar Poddar, Publisher
Washington Watch Inc.

GC ~~4176~~
10Rm

Zone 4

 MC 4-66-598

Jean E. Ingram & Associates, Inc.

MICHIGAN CERTIFIED COURT REPORTERS

623 Farmstead Lane

Lansing, Michigan 48106

TO

SIR VAN GELDER, Esq.
1425 H Street N.W.
Washington, D.C. 20463

81040243061

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

SHRIKUMAR PODDAR)	
WASHINGTON WATCH)	
EDUCATIONAL SUBSCRIPTION SERVICE)	
APP'S ADVERTISING AGENCY)	MUR 485 (77)
EUGENE McCARTHY)	
COMMITTEE FOR A CONSTITUTIONAL)	
PRESIDENCY)	

D E P O S I T I O N

of SHRIKUMAR PODDAR, a witness called by the Federal Election Commission, taken before Nelva J. Harthorn, Shorthand Reporter and Notary Public, at the State Bar Building, 306 Townsend, Lansing, Michigan, on Thursday, June 8, 1978, noticed for the hour of 10:00 A.M.

FOR THE FEDERAL ELECTION COMMISSION:

BIZ VAN GELDER
1325 K Street N.W.
Washington, D.C. 20463

FOR SHRIKUMAR PODDAR
EDUCATIONAL SUBSCRIPTION SERVICE
APP'S ADVERTISING AGENCY

BIRCH, DEAN & BLUCHANIUK
301 MAC Avenue
East Lansing, Michigan 48823
By
KENNETH BIRCH, Esq.

ALSO PRESENT:

Elena King, Federal Election Commission.

Jean E. Ingram & Associates, Inc.
623 Farmstead Lane
Lansing, Michigan 48917
Telephone (517) 323-3422

Lansing, Michigan

July 14, 1978

A F F I D A V I T

RE: Deposition of Shrikumar Poddar taken June 8, 1978

SHRIKUMAR PODDAR
WASHINGTON WATCH
EDUCATIONAL SUBSCRIPTION SERVICE
APP'S ADVERTISING AGENCY
EUGENE McCARTHY
COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

Signature of said witness was not waived. The original deposition was signed by the witness on July 10, 1978

Upon careful review of my original stenotype notes, there was an error of transcription and the original transcript has been changed as follows:

Page No. 9: Line 4,
15, "locked box" changed by witness to "lock box"
33: 4, "singlization" changed by witness to
"serialization"
24, "this" changed by witness to "his"
61: 25, "letters" changed by witness to "experience"
62: 6, "two" changed by witness to "three"

Upon careful review of my original stenotype notes, I misunderstood what the witness said, and the transcript has been changed as follows:

Page No. 18: Line 5, "Sueanne" to "Suzan"
6, "McDermick" to "McDermitt"
9, "McDermick" to "McDermitt"
22: 10, "Roger" to "Robert"
24: 10, "actually" to "factually"
28: 10, "new" to "news"
64: 1, "divided" to "diverted"
22, "expenses" to "experience"

The name of Eva Kipper was consistently misspelled as Kippur, and the transcript has been changed as follows:

Page No. 25: Lines 10, 12, 20, and 25

26: Line 23

27: Lines 2 and 4

30: Lines 13 and 17

The following have been changed by the witness, but the transcript has not been changed: (notes read as transcribed)

Page No. 40: Line 24, "yeah" to "yes"

51: 2, "yeah" to "yes"

52: 4, "that" to "TV"

54: 4, "yeah" to "yes"

61: 21: "included him on behalf of" to
"recommended him to"

64: 12, "there was" to "we were" and "on" to "any"

Nelva J. Harthorn
Nelva J. Harthorn, Shorthand Reporter
Notary Public, Eaton County, Michigan

Subscribed and sworn to before me, July 14, 1978, in Lansing,
Michigan

Priscilla Johnston (Lowe)
Notary Public in and for the County of
Ingham, Michigan.
My Commission expires: 10-1-78

EXAMINATION INDEX

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BY MS. VAN GELDER:	3	68
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EXHIBIT INDEX

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" " C	14
" " D, E, and F	15
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Lansing, Michigan

Thursday, June 8, 1978

10:17 A.M.

RECORD

S H R I K U M A R P O D D A R

having first been duly sworn by the Notary Public,
testified as follows:

EXAMINATION

BY BIZ VAN GELDER:

Q Will you please give us your name and address?

A Shrikumar Poddar, 2601 Cochise Lane, C-o-c-h-i-s-e, Okemos,
Michigan 48864.

Q What is your telephone number?

A 351-6249, Area 517. My office is 393-0250, same Area Code.

Q Are you a resident of the United States, Mr. Poddar?

A Yes.

Q A resident?

A Yes.

Q Naturalized?

A No, I am not a citizen.

Q You are not a citizen, but you are an alien resident?

A Right.

Q When did you achieve that status?

A 1971.

Q How long have you been in the United States?

A Since 1959.

Q How did you happen to come to the United States?

A To study.

Q Where?

A Michigan State University, East Lansing.

Q What was your major at Michigan State?

A I came to study engineering, but I changed to business

1 administration; and then I did my Bachelor's in social science,
2 and then I did my M.B.A., and I was working on my D.B.A. when
3 I left school.

4 Q And what made you decide to stay in Michigan?

5 A Well, while going to school, I started a business to support
6 myself through school which became rather successful, so I
7 decided to stay.

8 Q What is that business?

9 A Educational Subscription Service.

10 Q And what is the address of that?

11 A 3308 South Cedar, C-e-d-a-r, Lansing, Michigan.

12 Q Is the business phone number the same number as you stated
13 before?

14 A I beg your pardon?

15 A Is the business phone number the same?

16 A Correct.

17 Q Is that the only business that you run?

18 A No, I also have Zip Code Publications, Incorporated. Those
19 are the only two businesses. I am also involved in a number
20 of charitable, non-profit institutions.

21 Q And could you just name a few of those?

22 A Washington Watch, for example.

23 Q And do you consider App's Advertising Agency a business or
24 charitable?

25 A App's is a business which is a division of Zip Code Publications,

Incorporated.

Q Is one of your charitable organizations that you have either founded or are affiliated with the India Foundation?

A Right.

Q International Student Alliance?

A Students Foundation.

Q Indians for Democracy?

A That's not a charitable organization. It's a political organization.

Q And the Emergency Relief Fund for Bangladesh?

A No longer exists. That was an emergency organization.

MR. BIRCH: Are you asking whether he belongs to these, or are you just asking him whether he owns these or runs them?

MS. VAN GELDER: I don't count them as ownerships.

THE WITNESS: They are non-profit agencies.

Q (MS. VAN GELDER) Are you on the Board of Directors or a trustee of any of these?

A On some of them.

Q Which ones?

A The India Foundation, and I was on the Board of the Emergency Relief Fund, and I am on the Board of the International Students Foundation.

Q Are all of these organizations centered in East Lansing or

Lansing?

A Not all of them. International Students Foundation is an Iowa corporation and the Emergency Relief Fund and the India Foundation are Michigan corporations.

Q How did you become acquainted with Eugene McCarthy?

A I met him in 1968 at a Presidential campaign.

Q In Michigan?

A No, I met him in Washington.

Q And you became friends?

A Well, I don't know how you become friends to a person running for the Presidential office, but I became acquainted with him. I was working on his campaign then.

Q Well, did you maintain some sort of affiliation with Mr. McCarthy?

A Yes, I have known him since '68, and I had occasion to meet him again in the next campaign in 1972, although I didn't do any work for him in the '72 campaign. I was working for George McGovern at the time.

Q How did you become officially connected with the McCarthy '76 campaign?

A I volunteered my services.

Q And what were your duties and responsibilities in connection with the McCarthy '76 campaign?

A I was principally responsible for fund raising.

Q And since you were involved in fund raising, did you have any

responsibility or signature rights with any bank or depository for McCarthy '76?

A. I did have a single bank account set up in Riggs, R-i-g-g-s, National Bank in Washington. This was to guarantee payment of proceeds from Senators' television fund raising appeal to App's Advertising Agency, and that was on the account for that limited purpose that I was authorized to sign on behalf of the campaign.

Q. How long did you maintain that authorization?

A. That was just for a very short period. The account was opened, I believe, in October of '76 and we closed the account sometime after the campaign, probably by December or early January.

Q. So you had authority from the Riggs National Bank to make a check out for McCarthy '76 and make it payable to App's Advertising, which you are the owner of?

A. Right. I am not the owner. I am an employee of the corporation. Zip Code Publications is the owner of App's Advertising.

Q. In your capacity with McCarthy '76, when you made out the transfers from McCarthy '76 to Riggs National Bank, do you have any idea why --

A. I did not make any transfers.

Q. From McCarthy '76 to App's through Riggs?

A. Through Riggs National Bank.

Q. Did you have any reporting responsibility once you made that

transfer?

A. Yes, all the statements of the bank and my transfers were sent to the Committee, and the Committee was kept fully informed.

Q. Do you have any knowledge of why the Committee for a Constitutional Presidency reported all of the disbursements that you made for McCarthy '76 to App's on their report instead of on McCarthy '76 reports?

A. I don't know how they would internally report those between the Committee and McCarthy '76, because I was not involved in that aspect.

Q. You were involved in McCarthy '76, right?

A. Well, I was involved in McCarthy '76, and I was authorized to open an account in the name of McCarthy '76, but the distinction of whether that account was for McCarthy '76 or the Committee for a Constitutional Presidency was not at my discretion. It was up to the people who were managing the bookkeeping and so on.

Q. Who gave the authority to open the account for McCarthy '76?

A. Jerry Eller, who was the Senator's Campaign Manager, E-l-l-e-r.

Q. So did you have any knowledge of how the money came into the account that you opened?

A. Yes.

Q. And how, could you elaborate?

1 A. The account received money from primarily two sources. One was
2 the television commercials that Senator aired, and the last
3 month of the campaign he had a box number where funds were
4 sent, and this was a lock box. The Riggs National Bank had a
5 key to the lock box. They were the only ones who had access
6 to the mailbox, and they would receive the proceeds from the
7 fund raising from television broadcasts, and their personnel
8 would open the money and deposit it. The second source was,
9 in the last week of the campaign, we were planning to air two
10 more television commercials for Senator McCarthy, and we had
11 made an appeal by mailgram and direct mail letters to people
12 who had already contributed to the campaign asking them to send
13 this money directly to the Riggs National Bank account to pay
14 for these commercials.

15 Q. Were the commercials and the direct mail appeals both handled
16 by Zip Codes through App's and E.S.S.?

17 A. E.S.S. was not involved because this was all handled by App's.
18 The direct mail portion was handled by E.S.S.

19 Q. Okay. We will get to that in a second. Just to recap a
20 second on the Riggs National Bank account, do you happen to
21 remember the account number?

22 A. No, I don't.

23 MS. VAN GELDER: I don't know if you want to
24 put this into evidence. Can I just show it to him to refresh
25 his recollection?

1 THE WITNESS: I have not seen this document
2 before, but there is an \$11,000 that was transferred by a wire
3 transfer from the Riggs National Bank to App's Advertising
4 Agency.

5 MS. VAN GELDER: Let the record reflect that
6 Mr. Poddar is looking at a Riggs National Bank transfer receipt
7 dated 11-3-76 in the amount of \$11,000 to be charged to the
8 McCarthy '76 account number 0108/181/598.

9 Q (MS. VAN GELDER) That account also has a second transfer
10 that I will show you that also has your name on it instead of
11 to be charged to McCarthy '76. Was this a joint account that
12 would say McCarthy '76 and Shrikumar Poddar?

13 A No, it was not a joint account.

14 MS. VAN GELDER: Let the record reflect that
15 Mr. Poddar is now reviewing Riggs National Bank transfer
16 receipt dated 11-3-76 in the amount of \$14,000. The account
17 to be charged is Mr. Shrikumar Poddar, account number
18 0108/181/598.

19 THE WITNESS: I think often the bank would
20 write the authorized signature's name on the account. I
21 notice the account numbers are the same on both of these
22 transactions.

23 Q (MS. VAN GELDER) That's why we wanted an explanation. So it
24 was not a joint account and was not intended to be as such?

25 A It had nothing to do with me personally.

Q Do you happen to know who the \$14,000 went to?

A That also came to the App's Advertising Agency.

Q Okay. Do you remember the exact date or thereabouts which this account was closed out?

A I don't know the exact date, but I think sometime in December.

Q You also had made telephone payments for the Wisconsin McCarthy '76 in Wisconsin, I believe?

A Not telephone payments. I loaned them a sum of money. I didn't know exactly what they were going to use it for. There was a convention involved with the McCarthy people in Wisconsin, and they were in need of some cash.

Q Do you happen to have any recollection of how the Wisconsin McCarthy '76 people came to borrow money from you?

A They called me and informed me of their desperate plight for more money, so I loaned them some money and that was it, to help them out.

Q To pay for the phone that they called you with?

A Well, I am sure that part of the money was used to telephone me and other people to encourage them to come to the Wisconsin meeting.

Q Mr. Poddar, I am going to show you in a second --

Could you mark checks 138 and 139 as Exhibits

A and B, please?

THE WITNESS: Could we go back for a second?

You were asking if App's Advertising Agency received money only

1 from the Riggs National Bank account.

2 MS. VAN GELDER: No, I am sorry. What I
3 meant to say is, did you in your capacity as a signator --

4 THE WITNESS: Transfer the funds?

5 MS. VAN GELDER: Yes. It doesn't have to
6 be the sole amount of funds that App's received in the
7 McCarthy '76. It was just whether or not --

8 THE WITNESS: Right. There were funds
9 received by checks from Chicago and from wire transfers from
10 Pennsylvania.

11 MS. VAN GELDER: Off the record for a moment.

12 (Whereupon, off-the-record discussion.)

13 (Whereupon, Exhibits A and B were marked.)

14 MS. VAN GELDER: Back on the record.

15 Q (MS. VAN GELDER) Mr. Poddar, I am going to show you the
16 Commission's Exhibit A. It's check number 139 from the
17 Riggs National Bank, and I would like you to identify it from
18 the name on the upper left-hand corner.

19 A Yes, that's my personal bank account, and that was part of my
20 mailing address for McCarthy '76.

21 Q So you used your personal bank account and put in Shrikumar
22 Poddar and then McCarthy '76 next to it?

23 A Yes, that was my mailing address.

24 Q Would you please review the address?

25 A 1440 N Street, Washington, D.C., 20005.

Q Do you happen to know what the address -- McCarthy '76 business address is?

A It was the 1440 N Street, N.W., Washington, D.C., 20003.

Q So for a period of time you were using your Washington address as the McCarthy '76 headquarters?

A Right.

Q Do you remember that period of time in which you were using that?

A I had an apartment in the same building where McCarthy's office was, and my apartment was 1420 N Street, N.W.; and to make sure that my mail gets forwarded to me rather than to my apartment address, I gave the office address of 1440 N Street, N.W. for my personal documents which I didn't want to lose; because often I would spend my time in Michigan and there would be nobody at my apartment to forward the mail, and I didn't want to file a change of address with the Post Office here because my newspapers and magazines used to come to my apartment address; and, therefore, I used my financial address for important documents. I used the McCarthy '76 office address.

Q I think that I might be a little confused. The C.C.P. records reflect 1420 N.

A Let me explain. During the campaign the 1440 address was the office address, and after the campaign, McCarthy moved into 1420 which is the present office address of the McCarthy campaign.

Q Looking at Exhibit A, could you explain or recollect what that transaction represents?

A Yes, check number 139 was a contribution to the McCarthy '76 in Michigan on October 25.

Q Of '76?

A Yes.

Q And could you identify Exhibit B, which is check number 138 from the same Riggs account?

A Yes, on October 20, 1976, I made a \$200 loan to McCarthy '76 in Michigan so they could put a deposit on their telephone which was subsequently repaid to me with an interest of \$1.12.

Q Do you remember when the repayment was made?

A In December, '76.

Q So when you made one to the McCarthy Michigan and McCarthy '76, did you realize that you were under the same contribution limits?

A Yes.

Q I will also show you Exhibit C that the Reporter may mark as Exhibit C.

(Whereupon, Exhibit C was marked.)

(Whereupon, off-the-record discussion.)

Q (MS. VAN GELDER) Mr. Poddar, I am going to show you Exhibit C which is a letter from Andrew Boehem, B-o-e-h-e-m, I believe. It's prepared on The Edgewater stationery on October 9, 1976.

A He was the treasurer of the McCarthy '76 Wisconsin state

organization.

Q What is this letter?

A I loaned him \$340, and he was acknowledging receipt of the funds.

Q And he states in this letter that he is going to pay you at a rate of eight percent within 90 days from today?

A Yes.

Q Did he in fact repay you?

A No, they wanted more money because they were in a deficit.

MS. VAN GELDER: Would you like to see this?

MR. BIRCH: I have a copy of that.

MS. VAN GELDER: I would like this to be marked, check number 360 to be marked Exhibit D and the wire transfer on top Exhibit E.

(Whereupon, Exhibits D, E and F were marked.)

(Whereupon, off-the-record discussion.)

Q (MS. VAN GELDER) Mr. Poddar, I am now going to show you Exhibit D which is check number 360 from the East Lansing State Bank, and I would like you to identify this check which is made out by you.

A Yes, I made a \$1,000 contribution to the McCarthy '76 campaign on February 27, 1976, and that was the date I officially volunteered in the campaign, although I had been offering my services prior to that.

Q So when you say, officially volunteer your services, you were

not remunerated in any way?

A. Right. I drew no salary except for reimbursement for expenses.

Q. Do you remember any reimbursements that you received?

A. I believe they paid some of the telephone bills. Some of the telephone bills were paid directly by the campaign even though the bill was made out to me.

Q. I would also like to show you Exhibit E which is a wire transfer from the East Lansing State Bank to the National Bank of Washington, Dupont Branch. Would you please identify that?

A. Yes, on September 16 I instructed my bank to wire \$5,000 to the Committee for a Constitutional Presidency in Washington, D.C.

Q. What was the basis of this \$5,000 that you loaned them?

A. That was to complete a \$20,000 loan I had agreed to make to the Committee for a Constitutional Presidency. I only had \$15,000 available in my checking account in Washington, so for the \$15,000 I wrote them a check and \$5,000 was wired to them.

Q. Okay, you don't have a copy of the check here?

A. As I explained, the copy of the check was sent along with the bank statement, I presume, to my Washington address which was care of the McCarthy '76 campaign; and I don't ever recall receiving either the bank statement or the cancelled checks that accompanied it, but I do have a note that the Committee for a Constitutional Presidency signed and acknowledged receipt of the full \$20,000.

Q Do you recall or recollect the circumstances behind the figure of \$20,000, how you came to --

A Well, we had asked the Federal Election Commission for an advisory opinion -- not an advisory opinion, an opinion as to whether or not the Committee for a Constitutional Presidency under the Federal election laws would be treated as a functional equivalent to a political party; and we were told, after the issue was debated for at least a month or two, that the Commission's members -- three Republicans and three Democrats -- were deadlocked, the Republicans favoring the treatment of the Committee for a Constitutional Presidency as a political party for the purpose of election laws and the Democrats opposing it.

Q When were you told this?

A This was about that time in August and September when our need for funds was the greatest.

Q Do you happen to remember the exact time?

A It might have been as early as July or August, because I know we needed funds for getting the placement in the California ballot and completing the 100,000 signature requirement. So I agreed to make a \$20,000 loan to the Committee for a Constitutional Presidency upon the McCarthy attorneys' advice that even though the Election Commission didn't make a decision one way or another, it was their opinion that the Committee for a Constitutional Presidency qualified as a functional equivalent of a political party; and, therefore, I would not be

1 in violation of Federal election laws in making a contribution
2 of loan.

3 Q Do you happen to remember the attorney that gave you that
4 advice?

5 A Suzan was her first name, and she was married to one of the
6 other campaign volunteers, McDermitt.

7 Q Was that the name, do you happen to know?

8 A She was married to John Tabori, T-a-b-o-r-i, but I think she
9 used her maiden name, McDermitt.

10 MS. VAN GELDER: Let the record reflect that
11 the advisory opinion which Mr. Poddar speaks of was submitted
12 to the Commission on September 3, 1976, and the response from
13 the Commission --

14 MR. BIRCH: Excuse me, counsel, are you
15 reading?

16 MS. VAN GELDER: This is just to refresh my
17 recollection.

18 MR. BIRCH: Well, what I am asking, are you
19 testifying now?

20 MS. VAN GELDER: No, I just want to correct
21 the date. He said early September or October, and I just want
22 to give the correct dates. If you object, I will enter this
23 into evidence.

24 MR. BIRCH: I am curious as to what it is.

25 MS. VAN GELDER: I was going to pass it to you

1 anyway.

2 MR. BIRCH: My problem is I don't want a lot
3 of testimony on the record that doesn't come from Mr. Poddar.
4 This is a Deposition, and anything he knows about personally,
5 he can testify to; but things that the Federal Election
6 Commission have done may be part of public records, or if he
7 knows about them, fine.

8 MS. VAN GELDER: Off the record.

9 (Whereupon, off-the-record discussion.)

10 MS. VAN GELDER: The request was on
11 September 3, 1976, and the Commission's response was
12 November 26, 1976. This is in regard to OAR 1976/91.

13 Q (MS. VAN GELDER) Okay. Mr. Poddar, then I will give you
14 Exhibit F which is a note dated September 1, 1977. Could you
15 please identify this?

16 A Yes, I was given this note to acknowledge my gift and liability
17 on the part of the Committee for this loan of \$20,000 which
18 consisted of the two transactions I spoke of earlier, the
19 \$15,000 I paid them by check and the \$5,000 that I transferred
20 to them by wire.

21 Q And could you please tell me the dates of the transfers?

22 A The funds were transferred on September 16, and I believe the
23 check was written on September 2.

24 Q Could you explain why this note was made out on September 1st,
25 1977?

1 A. I received this note much later than that, and there was an
2 unsigned note that had only my signature that was not properly
3 made out. So I believe that whoever prepared this was simply
4 acknowledging the receipt of the funds in September rather
5 than to indicate that it was made on September 1st.

6 Q And at the time that you made both transfers, the \$15,000
7 and the \$5,000, there was no mention at that time of any
8 interest? This was a separate loan to the McCarthy campaign
9 of \$5,000 and \$15,000?

10 A. I don't know if any interest is mentioned even in this note,
11 and a question was raised by us whether or not -- raised by me
12 whether or not this note is legally valid without an interest
13 rate or not; and I was advised that a note is valid even if
14 there is no interest rate.

15 Q Mr. Poddar, there seems to be a discrepancy in the Committee
16 for a Constitutional Presidency reports on or about 9-15-76
17 in which they report a \$6,000 loan from you and you have
18 reported a \$5,000 transfer. To the best of your knowledge and
19 recollection, which amount is correct?

20 A. To the best of my knowledge I never made a \$6,000 loan or
21 contribution by either check or wire. It seems that they have
22 confused this with some other transaction they had internally,
23 and I am not aware of what that is, and I was advised
24 subsequently that they have filed an amended return to correct
25 that error.

1 Q So Exhibit F represents to you all unsecured loans which you
2 have ever made to the Committee for a Constitutional Presidency?

3 A That's correct.

4 Q Exhibit A, B and D represent separate contributions?

5 A Correct.

6 Q I am sorry. Strike that.

7 Exhibit A and D represent separate
8 contributions and Exhibit B represents an additional loan?

9 A An additional -- well, the only loan at that point in time was
10 to the Michigan Committee.

11 MS. VAN GELDER: Off the record.

12 (Whereupon, off-the-record discussion.)

13 MS. VAN GELDER: Back on the record.

14 Q (MS. VAN GELDER) Mr. Poddar, could you explain the origin
15 and purpose of Washington Watch?

16 A Washington Watch started in 1968 by a group called Businessmen's
17 Move Against the War in Viet Nam which later became Businessmen's
18 Move for Viet Nam Peace, and in 1971 they approached me to
19 raise \$50,000 a year to support this publication which was
20 distributed free to some three or 4,000 supporters of this group.
21 I suggested to them that it should be marketed as a subscription
22 newsletter to those people who were willing to part with \$10 or
23 \$20 a year, and I did not feel good if we went ahead and raised
24 the contribution when people who were receiving it didn't feel
25 it was even worth this small amount. So in 1971, I became the

1 publisher of Washington Watch without any compensation, and
2 I agreed to make an effort to make this newspaper self-sustaining;
3 and I believe in either late 1971 or early 1972 it was
4 incorporated as a Michigan non-profit corporation.

5 Q Who are the corporate officers of Washington Watch?

6 A At the present time we have three people on our Board of
7 Trustees, myself, my wife, and Dr. Raju, R-a-j-u, from
8 Honolulu. He used to be in Michigan at the time of
9 incorporation.

10 Q Does the name Robert Dietrich sound familiar to you?

11 A Yes, Robert Dietrich was my administrative assistant, and he
12 was a business manager of Washington Watch to assist me in
13 discharging my obligations as publisher of Washington Watch.

14 Q He doesn't appear at all on any annual reports or lists as a
15 corporate officer.

16 A To the best of my knowledge, he should not have been.

17 Q Mr. Poddar, who is Denise Burgess? What are her duties and
18 responsibilities?

19 A Denise Burgess was a clerical person on the staff of
20 Washington Watch, and I believe that she was supervised by
21 myself and Eva Kippur, K-i-p-p-u-r.

22 Q And who is Miss Kippur?

23 A Miss Kippur was an employee of Washington Watch for, I believe,
24 about two years; and after being on our staff for a year, she
25 had become managing editor of the paper in February, 1977 or

thereabouts.

Q Are you in the midst of some litigation with Miss Kippur?

A She calls it a suit, but she has filed a Complaint against me with the Michigan Civil Rights Commission charging sexual discrimination.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Back on the record.

Q (MS. VAN GELDER) Mr. Poddar, who is Thomas Mechling, M-e-c-h-l-i-n-g?

A He was one of the co-editors of Washington Watch. He is no longer there.

Q When he was a co-editor of Washington Watch, was he based in Michigan?

A He was based in New York.

Q Larchmont, New York?

A Yes.

Q What were the periods of Mr. Mechling's employment?

A Well, he was not an employee of Washington Watch. He was a contributing editor, and we paid him by the amount of material he wrote, like a free lance writer but we had a regular relationship.

Q And so would it be possible for Mr. Mechling to send a copy both to you in Washington and to someone like Denise Burgess in Michigan?

1 A Yes, Tom always used to send all his copies in Michigan, one
2 to my home address and one to the Washington Watch office
3 address. The original copy that went to the Washington Watch
4 address used to go for typesetting immediately upon arrival,
5 and I would simply read his manuscript to make sure that the
6 copy was acceptable editorially for our publication.

7 Q Do you have final rights of review on all copies submitted to
8 Washington Watch?

9 A Yes, as publisher I have both legal and personal responsibility
10 to insure that our information in the publication is actually
11 correct and we are not engaging in libel and slander; but I
12 can tell you this, I don't recall having to exercise that
13 authority on more than one occasion in Washington Watch.

14 Q Who is John Boyles?

15 A John Boyles was the other editor based in Washington. He and
16 Tom Mechling were writing alternate issues of Washington Watch
17 for a period of a year, year and-a-half.

18 Q And their responsibilities would alternate?

19 A They would write an alternate issue, and on occasion, if they
20 had vacation or personal problems, they might agree to switch
21 their issue writing.

22 Q At this time was Washington Watch a weekly?

23 A At that time -- well originally when Mechling and Boyles became
24 editors, it was a semi-monthly publication which did not make it
25 very remunerative for either of them, so we expanded to weekly

publication partially to accommodate our editors' needs and also the subscribers indicated they didn't feel Washington Watch was coming frequently enough. So it seemed like a worthwhile thing to do.

Q How many subscribers did Washington Watch have?

A At the present time, we have about 6,000.

Q Do you happen to know where Mr. Boyles is now?

A I don't know, but I presume he should be in Washington.

Q Mr. Poddar, who is Bruce Brown?

A Bruce Brown was a boyfriend of Eva Kipper who was an employee of Washington Watch for a long period of time. We were in need of a business manager, and Eva Kipper suggested that her boyfriend was available to work part time; and he was drawing unemployment at the time, and he didn't want to work more than 20 hours a week, otherwise he would be disqualified from unemployment.

Q What were his duties as business manager of Washington Watch?

A Well, Bruce, when he joined the staff as business manager, he indicated that he didn't feel he was qualified to do the job. Both Eva Kipper and I said, you will really be assisting and helping out and we will help train you to do the circulation promotion and bookkeeping and billing and renewal of Washington Watch.

Q And who were his supervisors?

A Both myself and Miss Kipper.

Q To the best of your knowledge and recollection, did Mr. Brown ever work for E.S.S., Educational Subscription Service?

A He had worked in the mailing room of E.S.S. as a temporary help.

Q At the time of his employment at Educational Subscription Service, did he exercise any control of the business records of E.S.S.?

A No, not in his official capacity.

Q And in his official capacity as business manager, did he have access and control over books?

A He had complete access to business records and all books of Washington Watch.

Q Mr. Poddar, who is --

THE WITNESS: I would like to say that Mr. Bruce Brown was not employed in 1976. His employment began sometime in the second half of 1977 and terminated a few months thereafter.

MS. VAN GELDER: Let the record reflect that Mr. Brown was apparently employed by Washington Watch between the dates of June, 1977 and November, 1977.

THE WITNESS: That would probably be correct.

Q (MS. VAN GELDER) Around the time of Mr. Brown's release from Washington Watch, was Miss Kipper also released?

A Mr. Brown chose to resign from Washington Watch in a highly emotional state of agitation and unhappiness over an editor

1 whose function was to guide the editorial direction of Washington
2 Watch, thereby placing him above Miss Kipper; and I accepted his
3 resignation, because he said that he did not feel like doing
4 any work and he would not do any work. Miss Kipper who was
5 also unhappy about the appointment of an editor who would have
6 supervisory responsibility over her, however, indicated that
7 she was not going to resign and that she would give the new
8 arrangement a couple of months' trial period. Subsequently,
9 however, her attitude became such that we had to fire her
10 because she refused to carry out her responsibilities.

11 Q Are you also in litigation with Mr. Brown or closing litigation
12 with Mr. Brown?

13 A Yes.

14 Q Mr. Poddar, could you explain Washington Watch's relationship
15 with Robert Ourlian?

16 A Robert Ourlian was retained as a research assistant to
17 Senator McCarthy to help him in completing the book that
18 Washington Watch had agreed to collaborate with Senator McCarthy
19 on, and I knew him from his student days at Michigan State when
20 he was the managing editor of the Michigan State University
21 student newspaper; and I recommended him to Senator McCarthy
22 for this job, and Washington Watch agreed to pay half of his
23 stipend and his expenses and collaborate on this book project.

24 Q Can you step back for a second and relate the beginning of
25 your involvement with Washington Watch and Eugene McCarthy with

1 regard to this book?

2 A I think I gave in great detail at the origin my involvement
3 with Washington Watch going back to 1971.

4 Q Concerning the book?

5 A Concerning the book? Well, during the campaign I read a news
6 clipping in McCarthy's office giving Jean Dixon's prediction
7 that Senator McCarthy's next book would be a bombshell and
8 it would be on the best seller list; and since Washington Watch
9 had accumulated some deficit, apart from the financial interest
10 of Washington Watch, this news item spurred in me the idea that
11 Washington Watch ought to collaborate with Senator McCarthy
12 on a book project that would make the American political system
13 more responsive, and so we entered into negotiations with
14 Senator McCarthy as to how we could bring a book out which was
15 not simply a book limited to his '76 campaign but really
16 talked about issues at large in the American political system.

17 Q When did you start negotiating?

18 A Sometime in the summer of 1976.

19 Q What was Washington Watch going to do with this book?

20 A Well, we were going to help him bring out this book and market
21 it, even though we were not set up as a book distributor, but
22 we were willing to make a loan to Senator McCarthy's '76 in the
23 amount of roughly \$50,000. After the campaign got over,
24 Senator McCarthy would sign a contract with us to get in the
25 specifics. We did obtain several model contracts for book

1 publishing from various organizations including The Authors
2 Guild in New York. They were so voluminous and detailed that
3 Senator simply had no time to sit down and have a detailed
4 negotiation. Would you like me to continue?

5 Q Yes, we can expound on that.

6 I would like to have these marked. I believe
7 this would be Exhibit G. This is the Note of October 6, 1976
8 and a Note dated October 12, 1977 would be Exhibit H.

9 Off the record.

10 (Whereupon, off-the-record discussion.)

11 (Whereupon, Exhibits G and H were marked.)

12 Q (MS. VAN GELDER) Mr. Poddar, I am going to hand you Exhibit G,
13 which is a Note of October 6, 1976 which was signed by
14 Senator Eugene McCarthy. Would you identify this and the
15 circumstances surrounding it?

16 A This was a Note that I typed up in Wisconsin simply to catch
17 up with the fast-running Senator to acknowledge his indebtedness
18 to Washington Watch for a total sum of \$51,000 that was loaned
19 to him on various dates starting on June 17 to September 16,
20 1976.

21 Q If we can take these dates one by one, on June 17, 1976, you
22 loaned to Mr. McCarthy \$5,000. Was this \$5,000 at the beginning
23 of your negotiations?

24 A Well, there was a period of time that we were simply
25 negotiating on how to collaborate on this project, and a sum of

1 money of around \$50,000 was discussed but we had not fully
2 agreed that it would be \$50,000 or less; and we had not signed
3 any detailed contract. We were in the process of obtaining
4 detailed contracts from various sources because those contracts
5 were so detailed and the Senator did not have the time. Both
6 Senator and I, on behalf of Washington Watch, agreed that the
7 best interests of this project would be served if we simply
8 exchanged a letter of agreement stating that Washington Watch
9 would loan him a sum of money, not specifying how much, and
10 would collaborate on this book project and share both expenses
11 and profits from this project 50/50.

12 Q Do you know the whereabouts of this letter of agreement?

13 A This letter was given to Miss Eva Kipper who was an employee
14 and business manager of Washington Watch for safekeeping. She
15 was given, however, only a xerox copy of the note and the
16 original note which is marked Exhibit G I put in my fireproof
17 safe for well keeping. Subsequent to Miss Kipper and Bruce
18 Brown's departure, that entire McCarthy book project file folder
19 was missing which contained that letter. However, since the
20 original of the note was in my safe, I was able to retrieve it.

21 Q Was Mr. McCarthy given a copy of the letter?

22 A I am not 100 percent positive. I believe that he was, but it's
23 possible that he was not.

24 Q The transfers of money that are indicated on the note marked
25 Exhibit G appear to be semi-monthly transfers or at least two

per month for the summer months of July, August and September of 1976. Was there a pre-determined date of transfer of money, or how did you affect the transfers?

A. I don't believe we had agreed to any particular definite schedule, but it was understood that until the entire sum was paid, Senator McCarthy could draw upon that \$50,000.

Q. And was this money -- sometimes it's \$5,000; sometimes it's 10; and once it's six. How was the amount ascertained? Did he call you and say I need \$5,000 or \$10,000?

A. Yes, Senator would simply tell us he needed some money; and as long as it was within the parameters of our agreement, we would give him the money.

Q. These transfers which you made to the Senator, do you recall to which account they were made?

A. I made the transfers to Senator's personal banking account. I don't remember the name of the bank in Washington offhand where he had a personal banking account, and this ran from the East Lansing State Bank account of Washington Watch to Senator McCarthy's personal bank account in Washington.

Q. Is there any reason why this Note which is Exhibit G does not reflect the fact that there was a business agreement for a book or consideration for a book involved in this note?

A. Well, this Note had no reason to mention a book contract simply because until Senator signed a real contract other than a letter of agreement, this was considered his personal indebtedness.

Now, once we signed a formal contract with him on the book project, this would relieve him of his responsibility and the new terms and conditions would be detailed in the new contract.

Q At any time during the negotiation of this note and transfer of funds during the election year, did anyone ever indicate to you that a transfer of funds, a personal transfer to the Senator, could be deemed a contribution to the Senator unless it was a business kind of transaction?

A No. Say that again?

A Unless it was a business transaction, a sum of personal indebtedness to the Senator, that it could have been construed as a personal contribution?

A I was generally aware of that fact. I don't remember if this was brought to my attention specifically in relation to the book contract that a personal contribution to the Senator could be deemed as a political contribution to the campaign; but since this had nothing to do with the campaign and we were not even asking him to write a book about his campaign -- we were asking him to write a book about the American political system at large -- the possibility of that question was not considered.

Q All right. Did you ever in fact try to draw up and sign a contract?

A Well, we are in the process now of drawing up a detailed contract with him. Washington Watch and his attorney are drawing up a draft and other attorneys are looking at the draft.

1 Q But at the time of mid-summer of '76 you had received various
2 forms of contracts, but you had never actually set up a contract
3 which involved Washington Watch?

4 A Yes, those contracts had subjects such as serialization rights,
5 and they run -- I can't remember -- ten, 15 pages of fine
6 print; and we were really not proposing to enter into that kind
7 of a detailed contract with the Senator. We were going to
8 identify with some book publishers and sort of collaborate with
9 Senator McCarthy and a book publisher who would be best suited
10 for that kind of operation.

11 Q Mr. Poddar, you stated that there was a letter of agreement,
12 a copy of which you gave to Miss Kippur?

13 A Yes.

14 Q Do you happen to remember the date of that letter of agreement?

15 A Well, that was drawn up prior to the first transfer of funds in
16 June, so it might have been a week or two prior or it could have
17 been just a few days before. I have a memorandum that I have
18 prepared for you on the basis of my recollection only
19 yesterday, but the basic outlines are very clear to me in my
20 memory that we agreed to advance him a sum of money which was
21 not specified in the letter; but we had verbally agreed that
22 it was to be in the neighborhood of 25 to \$50,000, and we had
23 inquired as to how much money he had received as an advance on
24 his previous book. He had received a \$100,000 advance from
25 Doubleday on his previous book, so we felt that on a book which

had a potential of becoming a best seller, \$50,000 would be a pretty reasonable amount.

MS. VAN GELDER: Would you like to enter this in or submit it to the Commission?

MR. BIRCH: We can enter this in.

THE WITNESS: I have no objection.

MS. VAN GELDER: Why don't we mark this as Respondent's Exhibit A?

(Whereupon, Respondent's Exhibit A was marked.)

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Let the record reflect that Mr. Poddar has handed us Respondent's Exhibit A which is a memorandum, subject, Letter of Agreement, regarding McCarthy book.

Q (MS. VAN GELDER) To the best of your recollection, this is the circumstances of which you and Senator agreed to collaborate on a book in which you would share the expenses and profit of the book on a 50/50 basis?

A By "I," you mean Washington Watch and not me personally?

Q Yes.

A Washington Watch entered into this agreement with Senator McCarthy that we would share the expenses and profits of this project.

Q Can you please tell me when this memo was made?

A I just prepared this memo yesterday, because my attorney advised

me that he would like to have in writing my recollection of the Letter of Agreement.

Q You wouldn't mind just dating it, then, for us?

A Shall I put today's date on it?

Q Put the date when it was prepared.

A (Writing.) Prepared on 6-7-78.

Shall I put my signature on it?

Q Sure. We will make sure you have a copy of this before you leave.

A All right.

MS. VAN GELDER: If I could just finish asking you questions about the actual notes involving the book, then we will take a break after I finish this, okay?

THE WITNESS: All right.

Q (MS. VAN GELDER) I am going to hand you Exhibit H which is a Note dated October 12, 1977 signed by Eugene McCarthy. Could you please explain this particular Note?

A Well, this is simply a renewal of the previous Note dated October 7, '76. We recognized that it was going to take longer than one year to complete the project and, therefore, Senator McCarthy indicated his desire to simply renew the Note for another year; so we made it a two-year Note.

Q Have you made any efforts in the interim between October '77--

A '76.

Q -- '76 to secure this, or had you been keeping monthly or regular

1 contact with Mr. McCarthy on processing the book?

2 A I spoke a number of times and the Senator visited Michigan on
3 at least one occasion where he met Bob Ourlian, although at that
4 time we were not thinking of Bob Ourlian personally. One of
5 the first steps the Senator suggested in completing the project,
6 because of his busy lecture schedule, after the campaign was
7 over he wanted a research assistant to collaborate with him on
8 the work. So, after a period of two or three months' search,
9 we selected Mr. Robert Ourlian to serve as research
10 assistant, and I wrote a letter to him, which I have just
11 discovered a copy of, in October, '77 pertaining to Mr. Ourlian's
12 employment.

13 MS. VAN GELDER: Would you like to submit that?

14 MR. BIRCH: We can submit that as Respondent's
15 Exhibit No. B.

16 MS. VAN GELDER: Do you want the one with the
17 markings on it?

18 THE WITNESS: Yes, I would like the one with
19 the markings. You are welcome to Xerox it, but they are not
20 germane.

21 MS. VAN GELDER: We will have this marked
22 as Respondent's Exhibit B.

23 (Whereupon, Respondent's Exhibit B was marked.)

24 MS. VAN GELDER: Let the record reflect that
25 Mr. Birch has handed me a copy of a letter dated October 14, 1977

1 from Shrikumar Poddar, Publisher, Washington Watch, Inc. to
2 Senator McCarthy which was attached to the renewal of the --
3 a copy of the renewal of the Note which the Commission has
4 marked as Exhibit H.

5 THE WITNESS: And I may just point out that
6 this letter simply reiterates the understanding that we had
7 arrived at in the Letter of Agreement which was missing and
8 substantiates basically the same agreement.

9 MS. VAN GELDER: I would also like two more
10 Exhibits marked and then we will take a break. These will be
11 Commission's Exhibits I and J.

12 (Whereupon, Exhibits I and J were marked.)

13 Q (MS. VAN GELDER) Mr. Poddar, I am going to hand you
14 Commission Exhibit I, which is a photocopy of the journal of
15 Washington Watch dated June, 1976. Would you identify this?

16 A What do you mean, identify it?

17 Q Is this a true and accurate copy of the journal from Washington
18 Watch?

19 A I would not know because I don't normally handle the journal,
20 though, it looks normal to me.

21 Q I notice that on the notes that are down at the bottom a
22 transfer which is dated 6-17 in the amount of \$5,000 to Eugene
23 McCarthy. Does that accurately reflect a transfer that was
24 made from Washington Watch to Eugene McCarthy?

25 A Yes, I believe so.

Q The day before, or actually the same day, there was a deposit of \$5,000 into the Washington Watch account. Do you happen to know from whence that money came?

A Well, I don't know about that specific \$5,000, but Washington Watch has a line of credit in the East Lansing State Bank against which we borrow, and we keep notes in our office and we draw upon it. Washington Watch also uses the Educational Subscription Service facilities for printing and mailing work and also borrows funds from the corporation for this.

Q Although these are two separate and distinct entities?

A Right.

Q If it's a line of credit from the East Lansing State Bank, would that line of credit be held against you personally, against Washington Watch, or against E.S.S.?

A The Washington Watch line of credit with the bank is personally guaranteed by me.

Q I would also like to show you Commission Exhibit J, which is an August, 1976 cash disbursement journal page from Washington Watch and draw your attention to the August 2nd, 1976 transfer to McCarthy. Do you recall anything to do with the transfer here?

A As I said earlier, I normally don't work with these pieces of paper, but they look all right to me.

Q And right before that on that same day, there was a \$10,000 deposit into the account. Are the circumstances surrounding

1 this deposit into the account similar, do you recall?

2 A. Yes, I believe they were all similar. Now, it's possible that
3 we had borrowed sufficient funds to take care of financial need,
4 and we were short of \$10,000 and --

5 Q Without going into other Exhibits, is it possible that between
6 transfers of funds from the bank and Washington Watch and the
7 note, there might be a day or two discrepancy on the notes?

8 A It's possible.

9 MS. VAN GELDER: Do you want to take a break
10 now?

11 THE WITNESS: Yes, sure.

12 (Whereupon, a brief recess was taken.)

13 Q (MS. VAN GELDER) Mr. Poddar, we have touched on this before,
14 but I would like you to reiterate the relationship between
15 Zip Code Publications and App's Advertising Agency, how they
16 were founded, who the corporate officers are, and basically
17 what their functions are.

18 A Well, Zip Code Publications has the same Board of Directors
19 that Educational Subscription Service does, and I and my wife
20 are equal stockholders. Both of us own 50 percent. They were
21 set up as a brother-sister corporation. They are not
22 subsidiaries of each other. We had a young man who was a
23 printer by the name of Gilbert Apps after whom App's Advertising
24 Agency is named and it has functioned as a division of Zip Code
25 Publications for some years. I believe it was a division of

1 Educational Subscription Service sometime in the past, but in
2 the period of time we had moved it for financial and business
3 convenience.

4 Q How did App's Advertising Agency become involved in the
5 McCarthy '76 campaign?

6 A We were asked to do television commercials for Senator McCarthy
7 in October of 1976 and early November, which we agreed to do,
8 and a special relationship was established by their Committee
9 for a Constitutional Presidency and the McCarthy campaign with
10 App's Advertising Agency in which we would be guaranteed payment
11 by the proceeds of the TV commercials that Senator McCarthy was
12 airing, pointing out that Independents did not qualify under
13 Federal election laws for matching contribution or for Federal
14 contribution unless after the fact of the campaign. Those
15 commercials which they had aired directly earlier had always
16 returned more than their original cost, so the agency would be
17 well protected in extending credit to Senator McCarthy for the
18 airing of these commercials.

19 Q App's did not actually make the commercials; they purchased the
20 air time?

21 A We bought the air time on behalf of the McCarthy campaign with
22 the networks.

23 Q But somebody else actually did the production of the commercials?

24 A Yeah, there is an advertising agency in Minnesota, Senator's
25 home state, which helped him in producing the commercials.

Q When you purchased the air time for App's on behalf of the Senator, did you do this with a pre-determined commission or percentage involved?

A We got the same commission that any advertising agency would get for what you would call buying the time, and we had offered an outside agency to share two-thirds of the commission since they did the creative work.

Q What was the percentage of commission?

A It was 15 percent, so they would get 10 percent and we would get five percent for financing and buying the time and administrative paperwork.

Q Is 15 percent your normal advertising rate?

A Fifteen percent is the normal for all kinds of advertising that you would do unless you are doing a special project.

Q And was purchasing air time a normal adjunct of the App's business?

A An advertising agency would place advertising on behalf of the client either on television or in printed media, newspapers and magazines. In this case we only purchased air time for Senator McCarthy.

Q Is that the only time you have purchased air time?

A I believe so. I think most of our advertising clients do print advertising as opposed to air advertising. We may have purchased radio time sometime in the past for some account.

Q And did you do print advertising for Senator McCarthy also?

1
2 A. No, we did not do any print advertising in App's Advertising
Agency.

3 Q. Whom did you purchase this air time from? Was this McCarthy
4 for '76 or the Committee for a Constitutional Presidency?

5 A. McCarthy '76.

6 Q. Was there a contract?

7 A. There was no contract drawn up.

8 Q. Okay. There were invoices which were sent out?

9 A. Yes.

10 Q. Can you explain why in the production of documents which I will
11 have marked Exhibits K and L --

12 (Whereupon, Exhibits K, L and M were marked.)

13 (Whereupon, off-the-record discussion.)

14 Q. (MS. VAN GELDER) I am going to give you Commission Exhibit K,
15 which is a statement as of the 31st of December, 1976 to
16 McCarthy for '76 campaign from App's Advertising Agency, and
17 I would like you to compare it with Exhibit L, which is a
18 statement as of December 31st, 1976 to McCarthy for '76 from
19 the Educational Subscription Service.

20 A. Well, there is a very simple explanation. Zip Code Corporation
21 has an agreement with Educational Subscription Service to
22 provide all of their administrative personnel, so the same
23 people are doing the work for this brother-sister corporation;
24 and it's not unusual for them to mistake one for another inasmuch
25 as the App's Advertising Agency once upon a time, when it was

started, used to be a division of Educational Subscription Service. So, when the error was caught on the subsequent statement, this was corrected on our records and not on the statement that was prepared.

Q Although this statement does not represent --

A It doesn't have anything to do with Educational Subscription Service. It's simply a typing error.

Q Do you happen to know why the same date, January 26, 1977, is stamped on the upper right-hand corner?

A I don't know what that date stamped is. Maybe it was prepared on that date and they simply made an error correction subsequently when the clerk discovered that.

Q Mr. Poddar, on Commission Exhibit K down at the bottom of the right-hand corner there is a notation that is dated 6-8-78 and it says, Present \$16,710.70.

A That is the present balance outstanding on this account.

Q Was that notation made yesterday?

A Yes, I made it yesterday and just put the date in.

Q So to the best of your knowledge, the McCarthy for '76 campaign owes App's Advertising \$16,710.70?

A That's correct.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: Back on the record.

Q (MS. VAN GELDER) Mr. Poddar, we give you Exhibit M --

Commission Exhibit M -- which is again drawn against the Riggs National Bank of Washington, D.C., No. 1001, December 8, 1976. Could you identify the document and the purpose behind it, if you recall?

A. Yes, I wrote this check to pay the App's Advertising Agency from the proceeds of funds that were received in this special lock box account in Washington.

Q. So the signature of Shrikumar Poddar in the lower right-hand corner does not represent a personal contribution to pay off App's?

A. No, this is a McCarthy '76 bank account on which I was authorized to sign.

Q. And this was later closed?

A. Yes, this bank account was closed.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

Q. (MS. VAN GELDER) Mr. Poddar, how often does App's Advertising Agency send out invoices to people who have outstanding balances?

A. What do you mean, how often?

Q. Is it a normal business practice to send out monthly invoices of reminder?

A. Well, we don't necessarily send out monthly reminders. We try to deal with them on the telephone to insure us that our funds are collected because statements simply don't produce the

results and they just get filed.

Q And how long do you, in your normal course of business, maintain a balance before you institute a suit to recover money?

A If we felt that there was a good chance of recovery now, we would certainly institute a suit. At this time we have been informed that they are planning a benefit fund raising concert and they hope to raise the money to pay this off, and so instituting a suit at this time when the Committee has no funds to pay us would simply be throwing good dollars away for bad.

Q Mr. Poddar, you stated before that App's did some work for Senator McGovern in '72. Did you extend the same credit to Senator McGovern that you did to Senator McCarthy?

A I don't know what you mean by same. They were done under the same terms and conditions and amounts of 20 or \$30,000 was expended.

Q For how long?

A I don't know. I have all the files which I brought with me if you would like to review these.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

MS. VAN GELDER: On the record.

Q (MS. VAN GELDER) Mr. Poddar, I mean that App's would receive a 15 percent commission?

A On any space media advertising that was done, and we did place some ads on behalf of the Senator McGovern campaign in various

magazines.

Q And you stated before that you also were involved in the Senator McCarthy 1968 campaign?

A Yes, I was.

Q How long did it take for Senator McCarthy to pay off his bill in '68?

A If I remember correctly, in '68 my company did a minimum amount of work for the McCarthy campaign directly other than maybe some mailing and rental of a piece of equipment; and I did extend personal credit in the McCarthy campaign in 1968 in the amount of \$24,000, and some of these payments stretched out three to six months. One bill which was personally guaranteed by me was only settled in 1971, about three years after the campaign.

Q When you say personally guaranteed by you, what do you mean?

A Well, in the '68 campaign, I made a personal guarantee to the supplier to give some service to the campaign and I would be responsible for the payment of these bills, and there was some \$30,000 of bills for which I was responsible. It was a source of some concern and anxiety, but they were all cleared up within a year or two after the campaign in full with the exception of one bill that was \$1500 which was settled for 50 percent three years after the campaign.

Q Did you also do work for a Tolton Ferency who was running for Governor of Michigan?

1 A Well, we don't necessarily do work on a regular basis for him,
2 but we have done work for him and other local and State
3 candidates.

4 Q And for obtaining media time for local and State candidates,
5 what would be your normal commission?

6 A We have not done any media work for State and local candidates.
7 Usually they will go to local advertising agencies. We would
8 be doing mostly printing and mailing service kinds of work for
9 them, because we are used mostly for that type of work.

10 Q And when you did work for Romney, did you obtain any media time?

11 A We simply rented equipment to him.

12 Q You also were involved with the Indians for Democracy?

13 A Yes.

14 Q What type of organization is Indians for Democracy?

15 A This was formed when Mrs. Gandhi declared a state of emergency
16 in India to restore democracy, and so this organization is sort
17 of a government now that the democratic process has been
18 restored.

19 Q Who founded this?

20 A Well, I along with some of my friends who are Indian residents
21 of this country founded this organization.

22 Q And how was this organization founded?

23 A From volunteer contributions.

24 Q And although you were one of the founders, you still did
25 business with the Emergency Relief, you still invoiced them as

if they were a regular client?

A. Well, usually all invoices or transactions where I was personally in a controlling position were approved by a Board member other than myself so that an arm's length status was maintained. Just like in the McCarthy campaign, all financial transactions between my company and the campaign were approved by Jerry Eller, the Senator's campaign manager.

Q. A Board member of your company?

A. No, Jerry Eller was not a Board member of my company.

Q. When you say a Board member for the Emergency Relief of Indians for Democracy, who was on the Board?

A. On the Emergency Relief Fund, we had a six-member Board. On the Indians for Democracy, we had a five-member steering committee, and expenditures were approved by them.

Q. When was Educational Subscription Service founded?

A. Educational Subscription Service was founded in 1960 or '61.

Q. By whom?

A. By me.

Q. And who are the controlling stockholders of Educational Subscription Service?

A. Myself and my wife.

Q. Is that also a 50/50 basis?

A. Yes.

Q. Who are your corporate officers?

A. My attorney is the Corporate Secretary, and his name is

1 Kenneth Smith; and my wife and myself, I am the Chairman of the
2 Board, and my wife is President.

3 Q And this is incorporated in the State of Michigan?

4 A Yes.

5 Q And so is Zip Code Publications?

6 A So is Zip Code Publications. I think Zip Code Publications
7 was formed in 1967 or '68.

8 Q Could you basically give us a description of what Educational
9 Subscription Service does?

10 A Yes, we market magazine subscriptions at reduced rates for
11 students and teachers by mail.

12 Q And is that all they do?

13 A Along with this work that we do of printing and mailing for
14 local clients.

15 Q And would you do direct mailing fund raisers?

16 A Say that again?

17 Q Since you have a computer base, would you be able to do a
18 direct mail for a particular client?

19 A Yes, we do direct mail fund raising for a particular client
20 where we actually do the inserting and mailing service because
21 we have equipment and facilities for that.

22 Q Did you do that for Senator McCarthy?

23 A Yes, I did that for Senator McCarthy.

24 Q What is the normal billing rate for doing direct mail
25 solicitation?

1 A Well, we bill any clients what it cost plus a mark-up to cover
2 the administrative overhead and profits.

3 Q I am not very familiar with direct mail solicitations, but how
4 do you get the names for these solicitations?

5 A Well, we, in this case in the Senator McCarthy campaign, did
6 not go to outside mailing lists; and so the direct mail
7 solicitations were already names of people who had contributed
8 to this campaign. In the McGovern campaign, we would rent
9 mailing lists from other list owners or magazine or subscriber
10 lists, and we would coordinate that. Normally the candidate
11 would procure the names themselves. We would simply get the
12 best contractual arrangement for the candidate on the market
13 for a mailing and production service, and my company's services
14 were used in extreme emergency cases or where we had a small
15 job to do where it was more practical to utilize my company's
16 service.

17 Q But at any time, did you use your Educational Subscription
18 Service mailing list, people that subscribe to cut-rate
19 magazines for McCarthy?

20 A I don't believe so.

21 Q Also, Mr. Poddar, do you recall at any time whether or not you
22 sent out a fund raising solicitation from E.S.S., the proceeds
23 of which would be used to pay off E.S.S.'s bill to McCarthy?

24 A Not on behalf of E.S.S.

25 Q No, I mean on behalf of the McCarthy '76 campaign and the

proceeds which would pay for E.S.S. --

A. Yeah, we made a mailing on behalf of the McCarthy campaign to raise money for payment of the television ads to the McCarthy contributor list, and there were other mailings during the campaign, but they were not specifically designed to necessarily be earmarked funds for paying off the E.S.S. bill.

Q. But it's entirely possible that a portion of the money that you received through the E.S.S. solicitations would come back to pay off App's Advertising?

A. Some of the money would come back to E.S.S.

Q. Do you at any time remember that it was in total?

A. The only in total situation we had was where we set up the special lock box arrangement to pay App's Advertising.

Q. And that was with Riggs National Bank?

A. Riggs National Bank. See, there was a specific direct mail occasion paying App's Advertising Agency off.

Q. So that I can straighten this out, Exhibit M which is the Riggs National Bank account number 108181598 --

A. Right.

Q. -- this was a special account that was set up solely to pay off App's?

A. Right.

Q. And the money that went into this Riggs National Bank account was the result of a direct mail solicitation which had the box number on it?

1 A. As well as in addition to direct mail, the TV appeal for money
2 which ran up to the end of the campaign on November 3 or 4 was
3 also going to the same bank account. This represents a
4 contribution from both direct mail as well as that.

5 Q. And App's bought the media time for the advertising on TV and
6 E.S.S. sent out the mail solicitation?

7 A. Right.

8 Q. And the only monies which went into this account came from those
9 two fund raisers?

10 A. Right.

11 Q. And the only money that went out went to pay off those bills?

12 A. Right.

13 Q. When you did your direct mail solicitations, what was the postal
14 rate that was used at that time?

15 A. The rates keep going up, so it's hard to remember. For
16 Senator McCarthy's campaign, I believe the rate was 13 cents
17 on first class and 7.7 cents for bulk mail.

18 Q. And you would pay him the going commercial rate?

19 A. I would pay him?

20 Q. You would bill him?

21 A. I would bill him the going commercial rate except that for all
22 non-profit organizations, we make a discount on our overhead
23 charges of 25 percent. There is a small discount that they
24 get, and this is extended to both political candidates as well
25 as non-profit organizations.

Q. But at no time did you use the postal rates from Washington
Watch for your E.S.S. subscriptions via E.S.S.?

A. No.

MS. VAN GELDER: Off the record.

(Whereupon, off-the-record discussion.)

Q. (MS. VAN GELDER) Do you happen to have a recollection of
what the current balance is of what McCarthy owes to E.S.S.?

A. Well, to E.S.S. I think it's \$6800. We discovered two more
invoices. I don't know if Ken explained that to you.

MR. BIRCH: Yes, we talked about that
yesterday.

THE WITNESS: This is the statement that we
had made before I went to India this trip. A young man who
was our print shop manager who moved to Atlanta missed these,
so there were two bills that I presented somewhat later to the
campaign that they have agreed to pay us for. So these two
are not reflected in that \$5,000 balance. It would be about
\$6800 outstanding totally.

MS. VAN GELDER: Let the record reflect that
Mr. Poddar was looking at two invoices which have been
incorporated into the Commission's documents.

Q. (MS. VAN GELDER) So basically, McCarthy '76 owes approximately
\$6800?

A. \$6700.

Q. Excuse me, \$6700?

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A To Educational Subscription Service and \$16,000 to App's Advertising Agency.

Q And you are hopeful that you will receive 100 percent on the --

A Yeah, we are confident of that.

Q When is the last time you spoke to the McCarthy '76 people with respect to your bills?

A I made three trips to Washington, and on two occasions I met with the Senator personally. I advised them of the urgency of the need for them to pay the funds and also gave them advice on how they could raise the money. I made a proposal to them of a direct mail concept of getting contributors to pledge \$5 to \$10 a month on a regular basis rather than on a sporadic basis, and that has had some results. They have also advised me that they have an offer from a celebrity, Carroll O'Connor, to put on a benefit concert sometime in the fall to pay this off. They have told me that the total debts to businesses, both corporations and unincorporated, is \$40,000 including the indebtedness to us, so it doesn't look like an insurmountable amount that they couldn't raise.

Q If we can just recap a bit on Washington Watch as a newsletter, you stated that Messrs. Mechling and Boyles were co-editors at one time which time incorporated the summer of 1976?

A Yes.

Q On a number of occasions in the summer of '76, there were articles and interviews with McCarthy in Washington Watch.

1 A. There was only one interview, if I remember correctly.

2 Q. And that interview was conducted by Mr. Boyles?

3 A. Yes.

4 Q. Mr. Boyles was the editor?

5 A. Co-editor of Washington Watch.

6 Q. And, therefore, your responsibility as publisher was more of
7 a reviewer of that article than a solicitor?

8 A. Well, I did not solicit any editorial material for Washington
9 Watch personally, and that was the editor's responsibility.

10 I just wanted to make sure that the material that was printed
11 would be of interest to the readers; and we paid, I think,
12 \$400 for each article written by the editor about Mr. McCarthy,
13 and Mr. Boyles got the same amount of compensation for writing
14 the article.

15 Q. And Mr. Boyles worked part time as editor of Washington Watch?

16 A. Well, he worked -- since he was a free lance writer, he did not
17 have any specific hours, but I presumed this was his major
18 occupation which took more than part-time work on his part to
19 do the research and the writing and editing of his own work. I
20 did not do any editing of their work. I simply reviewed the
21 copy to make sure that they met with our objectives and
22 criteria.

23 Q. Did you know at this time whether or not Mr. Boyles was working
24 for Senator McCarthy?

25 A. He used to come into the office and offer to do drafts of

speeches for McCarthy.

Q When you speak of the office, you mean the McCarthy --

A The McCarthy '76 office. I had set up my own business office within the campaign, because I was not only a volunteer to the campaign, but I still had responsibilities for the two profit-making corporations and several non-profit organizations. So whenever I was out of Lansing and spending my time in Washington, I would have an occasion to meet Mr. Boyles to discuss Washington Watch business within the campaign office, and he would also be writing speeches for Senator McCarthy.

Q Do you have any knowledge of whether or not he got paid by Senator McCarthy?

A I don't know if he got paid for writing the speeches or not.

Q Do you have any recollection of any time where Mr. Boyles would write something for the Senator which was also a good copy for Washington Watch and used by both?

A I don't believe that there was a single occasion that Mr. Boyles wrote something for McCarthy which later was used for Washington Watch, except I know that we published Senator McCarthy's campaign platform which most of the major media had ignored; and we felt that in the public interest his platform should become better known.

Q Do you have an official title in your capacity with McCarthy '76?

A Well, Senator used to refer to me as the National Finance Chairman, and we sort of took it as a tongue-in-cheek

expression. The only occasion I had to use that title in the campaign was when I opened the bank account. A girl asked me what authority I had, and I said that I was the Senator's Financial Chairman, but I don't think that was taken seriously.

Q Except by the bank?

A Except by the bank, because my responsibility was to raise money along with the Senator himself and other people; and if I was the Finance Chairman, I probably would have had some authority on how the funds were distributed, but I never really had that authority on how the funds were spent. That was a decision made by Jerry Eller.

Q So, in fact, the only money in which you had authority as National Finance Chairman was the Riggs National Bank account?

A The Riggs National Bank account, right.

Q And as you said before, the only money that went into there was proceeds from solicitations made by App's and Educational Subscription Service which went to pay off those bills?

A Right.

MS. VAN GELDER: I have no further questions, if Mr. Birch would like to ask you a few.

MR. BIRCH: I just want to clarify a couple of things here.

EXAMINATION

BY KENNETH BIRCH, Esq.:

Q Mr. Poddar, on the organizations that you belonged to, the

India Foundation, the Indians for Democracy, and the Students Foundation -- was that one of them?

A. And the Emergency Relief Fund for Bangladesh.

Q. Did you control any of those organizations?

A. Well, I was a Board member of some of those organizations, so I had some controlling responsibilities.

Q. But I mean, your single vote wouldn't control any of the agencies?

A. No.

Q. And there were other people that weren't related to E.S.S. or App's or Washington Watch on those?

A. Yes.

Q. Going back to this Riggs National Bank account, there was no money put in there that was indirectly put in from the Committee for a Constitutional Presidency, if you can remember?

A. I am not sure what you mean by that.

Q. The money from the Riggs National Bank account all came from solicitations of television commercials and --

A. In direct mail appeals.

Q. -- in direct mail appeals?

A. Right.

Q. And none came through the bank accounts of the Committee for a Constitutional Presidency?

A. Not that I am aware of.

Q. I want to ask you some more questions about the book that

1 Senator McCarthy was to write. Now, before you paid him any
2 money, could you explain where the negotiations took place
3 about the book?

4 A Well, the negotiations about the book took place in Washington
5 in Senator McCarthy's office.

6 Q And you were working there at that time?

7 A Yes.

8 Q Okay. You said that there was a letter typed up by you. Could
9 you explain the circumstances surrounding that letter?

10 A Well, after we looked at the detailed contracts which required
11 time consumption to read and to arrive at an agreement, it was
12 both Senator's opinion and mine that it would be best if we were
13 to simply exchange a letter of agreement; and I said I would
14 absolutely have to have such a letter of agreement before I could
15 give him any money, and so he agreed to the terms and I went to
16 my typewriter and typed up a letter. I signed it on behalf of
17 Washington Watch and he signed it, and I believe I made a Xerox
18 copy and gave him a copy of that Letter of Agreement.

19 Q All right. That was back before June when this first payment was
20 made?

21 A Yeah, this was back before June of '77.

22 Q And this was made in his office, is that correct?

23 A In his office, yes.

24 Q Is there any circumstances -- was it done in a closed room or
25 was it --

1 A I don't think the room door was closed. Normally Senator
2 McCarthy was not long enough in his office to close the doors.
3 He was in and out, and it was quite a trick to catch him and
4 hold him down for five or ten minutes to discuss things.

5 Q So you just cornered him one day and had him sign the letter,
6 and you believe you gave him a copy of it?

7 A Right. I had discussed this project earlier with him, and he
8 had asked me to get some publisher contract sample forms and
9 it took some period of time to get it. We didn't find any
10 suitable form to meet our needs.

11 Q Going back to Washington Watch, why did you decide it would be
12 important for Washington Watch to have the rights to this book?

13 A Well, Washington Watch had over the years -- in the last seven
14 years -- accumulated substantial deficit, somewhere in the
15 neighborhood of \$100,000; and we felt that here was an
16 opportunity of recovering the money from the Senator through
17 the sale of Senator McCarthy's book if we could get a
18 percentage of profit out of the book. If the book was a
19 best seller, we could wipe out those debts because I had no
20 reasonable hope of recovering that money from the current
21 operation of Washington Watch which was under some financial
22 pressure.

23 Q So you saw the book as a chance to relieve the Washington Watch
24 financial pressures, is that correct?

25 A That's correct.

Q And you are currently undergoing negotiations with Senator McCarthy to revise the original letter that you signed with him back in June, 1976?

A Yes, that's correct.

Q What do the preliminary negotiations indicate may be the result of the contract?

A Well, the negotiations that we are having with Senator McCarthy are on two areas: Number one, modifying the terms of the agreement in such a way to relieve us from further financial obligation of paying expenses for completion of the book, because we have already spent money in the form of giving a loan as well as some expenses for hiring the research assistant, and McCarthy to assume those responsibilities himself; and number two, to get at least one chapter of the book written so we have a definite idea of what the book is going to be like, schedule a completion time of the book and make arrangements whereby our principle and interest can be paid off and we would have our share in the profits.

Q The person you hired in the fall of 1977, is that person to work primarily with Senator McCarthy on the book?

A I did not hire him. I simply included him on behalf of Senator McCarthy and sent him with the recommendation letter to Washington, and Senator was free to decide whether he was suitable for this job or not on the basis of his previous writing experience.

MS. VAN GELDER: You are speaking of Robert Ourlian?

THE WITNESS: Robert Ourlian, and if McCarthy decided to hire him, we had agreed as per our previous letter of understanding that we would pay half of the expenses, which we did for a period of three months.

Q (MR. BIRCH) All right, going back to the contracts between -- let's take App's first. Now, on 10-19-76, you incurred \$21,142.

I don't know what your designation of that statement is.

A That is for a NBC five-minute television ad.

Q McCarthy TV ad?

I don't know what Exhibit it is.

MS. VAN GELDER: It's Exhibit K.

Q (MR. BIRCH) Now, what was your expectation of having that money repaid?

A Well, as I explained earlier, each commercial was returning more funds than what it was costing. So as long as the funds were going into a bank account out of which funds could not be withdrawn without my signature -- that was the arrangement we had agreed to for the repayment of that first television commercial. The second commercial that was aired only a week later was getting a little closer to election time, and we had demanded payment in advance for that.

Q From whom?

A From Jerry Eller, who was the campaign manager for Senator McCarthy, and Eller said that he had located the money.

Q Who did he say that to?

A He told me on the phone. I was back in Michigan at that time, and he called me and said he had got the funds promised and he would have the money on Monday but the payment had to be made 48 hours in advance. So he wanted to know whether or not I would go ahead and release a check in expectation of the \$21,000 which should come in. So that money -- really that promise fell through over the weekend and we were sort of stuck with \$21,000 which is what basically led to the \$21,000 balance; but from subsequent credits and payments, it's down to \$16,000.

Q So, this is the \$21,142 of 10-26-76?

A On 10-26-76.

Q So the money was promised to you by Jerry Eller?

A Right.

Q Did he give you any information on how he lined this money up?

A Well, he said that a group of contributors in New York City had promised him the money because they wanted to see McCarthy's name on the New York ballot, and McCarthy was very popular in New York. So he was fairly confident that the money would come. Now, I don't know if, for a fact, when he said it fell through that it really did, because he was also negotiating some money to pursue a legal suit in New York State; whether some money

1 promised for the TV ad was diverted for the purpose of getting
2 his name on the ballot; but, in any event, I was left holding
3 the bag for \$21,000.

4 Q If the \$21,000 that Mr. Eller had indicated he already had
5 promises for had been paid, would there be any deficit?

6 A No, actually there would be excess, in my understanding of the
7 debts, once my company was paid. Obviously the excess would
8 go into the campaign, because those funds belonged to the
9 campaign. So the subsequent two commercials that were aired
10 on November 1st were paid for, and for the November 1
11 commercials, I demanded and received cash in advance before we
12 aired them; because at that date in time, we were not going to
13 be on receipt for them. For that 10-26 commercial, we were
14 still under the receipt formula, and I am sure that some of the
15 money came from that commercial which is represented in that
16 \$5,000 check.

17 Q Now, as to the monies owed to App's and to E.S.S., have you
18 kept a constant vigil on those funds?

19 A Well, I probably speak to them twice a month when I am in the
20 Country. The only time there may have been lack of vigil are
21 the two months I was out of the Country.

22 Q In your experience with working with Senator McCarthy's
23 organization before and other political candidates that have
24 come to your office -- for instance, George Romney, Zolton
25 Ferency, and Senator McGovern -- have you had any problem in

collecting?

A. Well, we have been very fortunate which is sort of unique in this area, because I have read newspaper accounts of companies settling their bills for ten cents and 25 cents on the dollar; and we really have not lost money in the political field because of my close contact with the candidates. The McGovern bills of \$33,000 were paid in full except for \$23, and we did not see that \$23 as an amount significant enough to sue for it. It would cost us more to collect \$23. Romney paid his bill in full. Ferency paid his bill in full. On the Senator McCarthy '68 campaign I did not lose a single penny out of my pocket, and I was involved in something like \$100,000 of transactions in '68.

Q. Now, as far as your relationship with Senator McCarthy, is it a relationship of trust as far as financial matters are concerned?

A. I absolutely trust the man. I know that McCarthy's integrity and financial record is very good.

Q. Do you know anything about his bookkeeping procedure, his own bookkeeping procedures?

A. I don't know anything personally about his personal bookkeeping procedures other than the fact that he has a gal who handles it for him.

Q. So in your mind, you have no problems? In fact, you are confident that the money that was credited for E.S.S. and for

App's will be repaid?

A. Well, I have no reason to believe that it will not be repaid, because the Senator personally has assured me that he has every intention of repaying it, and he has assured me of his expectation of being able to raise that sum of money because it's not an extraordinary sum of money. He does have additional campaign debts which are to himself and other friends and which are present debts, but he has assured me that the business debts would take priority.

Q. Now, there might be some allegations or there might be persons on the Federal Election Commission that might think that the agreement concerning the book was done in a haphazard type of fashion. Could you explain why you didn't pin down Senator McCarthy on a more detailed, as you say, 30-page fine print book contract?

A. Well, it just simply was not possible to detail him and neither was I -- it was not my intention to necessarily enter into a detailed contract which a normal publisher would enter into. We were still trying to collaborate on the book project with him with the hope that another publisher who is in the business of publishing or distributing books would actually eventually sign the contract either with us or Senator McCarthy, and we would simply be entitled to take a part of the profits. So this would serve not only our interest in paying off accumulated debts, but also we would be doing a personal service which

1 would be comparable to the objectives of Washington Watch, a
2 non-profit corporation, which is to improve the political
3 system.

4 Q Did you have any fears at that time that because of a lack of
5 a detailed or binding contract on Senator McCarthy that you
6 would not be -- that he would not, number one, write the book?

7 A Well, I did have some concern about the timing on how --
8 whether the book would come out in time, and I felt maybe a
9 year or two before the next Presidential election would be a
10 good time for the book to come out; and knowing Senator's
11 busy schedule, I have some concern about the time, and I still
12 do at this period in time.

13 Q What about the fact that he would write the book?

14 A He had been known to be a good writer. He had written half a
15 dozen books on the American political system and other subjects.
16 And he does take time off and go off to his farm secluded by
17 himself, and he is a good writer. I had no concern about the
18 financial state of Washington Watch as long as I had a personal
19 note and I knew that McCarthy owned a house which was worth some
20 money and he was good for a personal note. As long as I had
21 that security, I had no reason for worries that the financial
22 interests of Washington Watch were not protected.

23 MR. BIRCH: I don't have any further
24 questions.
25

RE-EXAMINATION

BY BIZ VAN GELDER:

Q Can you just verify two things for me? At one point you mentioned that with respect to Mr. Ourlian that you -- for a period of three months, you shared the expenses. What happened after that?

A Well, Senator got very concerned about having to pay interest on that note, and I had negotiated on his behalf with some publisher on a book contract, and he had better contacts. He said that he was going to take over the negotiations and Robert Ourlian subsequently has found another job, and he is working as a volunteer with McCarthy, but he doesn't get any compensation.

Q In your discussions with McCarthy on the book and on the proceeds of the book and the personal note which you made to McCarthy, did you know at the time that you made these loans to McCarthy that the money could go into his campaign?

A No.

Q You had no idea?

A Well, I sort of suspected that that was what he might do, because he was spending so much of his personal money on the campaign; but I also knew that to pay for his daughter's college education and to pay his mortgage and everything, he needed some money personally, so we did not discuss what he was going to do with the money. I simply agreed to provide him the funds that he

would require over a period of time as long as they didn't exceed a certain amount.

Q And how did he get this certain amount, the \$50,000?

A Well, we generally discussed what kind of advances would be needed for a book, and I inquired as to what advances he had gotten. I had thought that he had gotten \$100,000 from Doubleday for his book in '68, and he had contracted to write another book for them which he was just finishing during the campaign. I don't remember the exact advance he mentioned, but it was somewhere between a \$25,000 and \$50,000 range.

Q Has he negotiated an advance with this book that we are discussing?

A I am becoming aware that he negotiated an advance in the amount of \$25,000 for this book.

Q Is that with Harcourt Brace?

A Yes.

Q Did you get a return on this advance from your investment?

A Well, he is holding that in a special escrow account until such time as he and I come to a detailed agreement as to how this contract is to be signed. We are in the process of that right now.

MS. VAN GELDER: I have no more questions, and I thank you for your time and corporation.

THE WITNESS: Thank you.

(Whereupon, Deposition concluded at 12:25 P.M.)

- - -

Dated: July 10, 1978

/S/
SHRIKUMAR PODDAR

STATE OF MICHIGAN)
) SS
COUNTY OF EATON)

I, Nelva J. Harthorn, Shorthand Reporter and Notary Public in and for the County of Eaton, State of Michigan, acting in the County of Ingham, do hereby certify that the foregoing Deposition was taken before me at the time and place hereinbefore set forth.

I further certify that said witness was by me duly sworn in said cause; that the testimony then given was reported by me stenographically, subsequently dictated by me, and transcribed under my direction and supervision; and that the foregoing is a full, true, and correct transcript of my original shorthand notes.

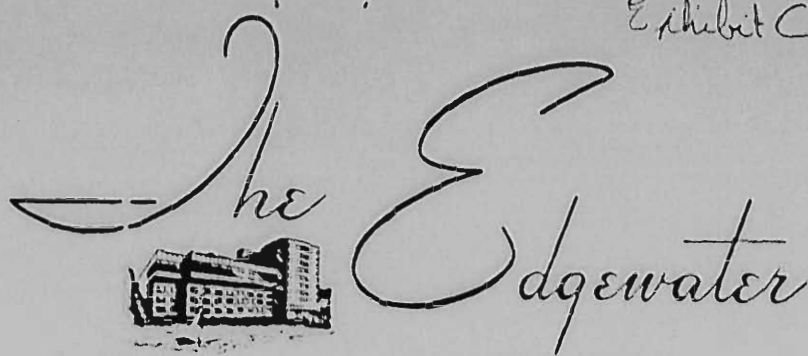
I further certify that after the said Deposition had been so transcribed, the same was read over by the said witness, who did then and there subscribe and make oath again to the same in my presence.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 10th day of July, 1978.

Nelva J. Harthorn
Nelva J. Harthorn, Shorthand Reporter and Notary Public, County of Eaton, State of Michigan.

My Commission Expires: 1-25-82.

Exhibit C June 8, 1978



P.O. BOX 490

MADISON, WISCONSIN 53701

LAKE MENDOTA AT WISCONSIN AVENUE

To

Oct 9 '76

Shrikumar Poddar
2601 Cocuise Lane
Okemos, Mich

~~The Wisconsin Council~~

The McCarthy '76 - Wisconsin
agrees to pay the sum of \$340 to
you with interest at the rate of
8 1/2% within 90 days from today.

Andrew Boekem
TREASURER

91010213135

NOTE

September 1, 1977

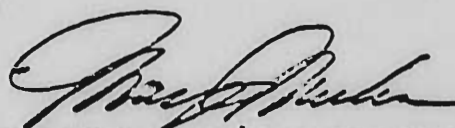
The undersigned committee herewith acknowledges receipt of a loan of \$15,000.00 (Fifteen Thousand Dollars Only) on September 2, 1976 from Shrikumar Poddar, and receipt of a loan of \$5,000.00 (Five Thousand Dollars Only) on September 16, 1976 from Shrikumar Poddar.

The undersigned committee herewith agrees to pay to Shrikumar Poddar the sum of \$20,000.00 (Twenty Thousand Dollars Only) by September 1, 1978.

Signed:


COMMITTEE FOR A CONSTITUTIONAL
PRESIDENCY

by



Mary Meehan, Treasurer

Accepted:



Shrikumar Poddar

_____ Date

Exhibit C 6-8-78

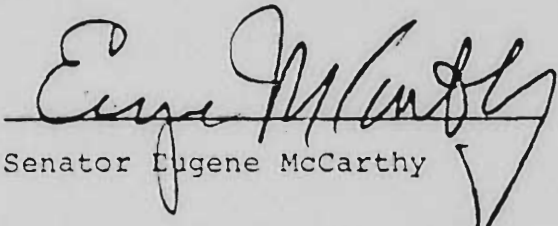
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan, 48910 has loaned the undersigned, Senator Eugene McCarthy, the sum of \$51,000.00 (Fifty One Thousand Dollars Only) plus interest at 7 1/2 percent per annum and payable in one year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:


Senator Eugene McCarthy

Date: 10/6/76

31010313137

Exhibit H 6-8-78

Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

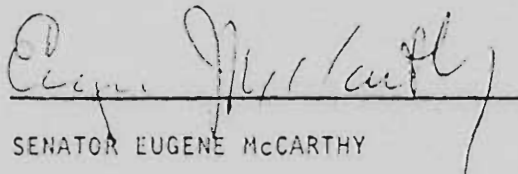
October 12, 1977

RENEWAL OF NOTE DATED OCTOBER 6, 1976

WASHINGTON WATCH, SOUTH POINT PLAZA, LANSING, MICHIGAN,
48910 HAS LOANED THE UNDERSIGNED, SENATOR EUGENE McCARTHY,
THE SUM OF \$51,000.00 (FIFTY ONE THOUSAND DOLLARS ONLY)
PLUS INTEREST AT 7 1/2 PERCENT PER ANNUM AND PAYABLE IN TWO
YEARS. THE FOLLOWING DATES AND AMOUNTS ARE:

6-17-76	\$5,000.00
7-13-76	\$5,000.00
7-18-76	\$5,000.00
8-3-76	\$10,000.00
8-27-76	\$10,000.00
9-1-76	\$10,000.00
9-16-76	\$6,000.00

SIGNED:


SENATOR EUGENE McCARTHY

DATE: 10-18-1977

Date	Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. No Payro
	Brought fwd		6596			
6-25	Deposit 6-56		31055	24459		
6-24	Denise Burgess	1597	15946		15309	
6-24	Dan Hinds	1598	- 5827		21512	
6-24	Charles Haynes	1599	- 13094		7367	
6-24	Joseph Lee Watkins	1600	- 15773		2619	
6-24	Euseo Zamora	1601	- 18317		2544	
6-24	Dan Hinds	1602	- 20453		2136	
6-24	Denise Burgess	1603	- 21755		1305	
6-17	Deposit			500000		
6-17	Eugene McCarthy				500000	

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
AUGUST 1976

Robert J 6-8-76

OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Brought Fwd		135136			
8 2	Deposit 7-72		1135136	1000000		
8 2	Eugene J McCarthy	1640	135136		1000000	
8 3	Deposit 7-73		125426	200		
8 4	Deposit 7-74		157926	22500		
8 4	Deposit 7-75		186186	28250		
8 5	Dan Hinds	1641	164613	21573	21573	215
8 5	Denise Burgess	1642	150310	14302	14302	143
8 9	Tom Manning	1643	65310		25000	
8 9	Deposit 8-76		122260	56950		
8 9	John Boyles	1644	42260		80000	
8 10	Deposit 8-77		44870	2610		
8 10	Deposit 8-78		105070	60200		
8 11	Deposit 8-79		106470	1400		
8 19	Deposit 8-80		275000	168530		
8 19	D. Burgess (payroll)	1645	262205		12795	127
8 19	D. Hinds	1646	240632		21573	215
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81685		
8 25	Zip Code Pub.	1648	24382		84564	
8 25	Deletion WW subs	1649	16883		7500	
8 26	Post	1650	338617		355500	
8 27	Deposit		161383	500000		
8 30	Post Due Act.	1651	151383		10000	
9 1	Deposit 9-83		197823	46440	142833	760
9 2	D. Hinds	1652	176250		21573	215
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		1783	
9 9	Deposit 9-82		281108	107626 ✓		
9 9	Deposit 9-84		318698	37590		
9 12	Post (2nd class)	1655	298698		20000	
9 14	Deposit 9-85		392648	99950 ✓		
9 15	Deposit 9-86		992648	600000 ✓		
9 03	Deposit		1992648	1000000 ✓		
9 15	Tax Dep.	1656	1970768		21880	
9 15	Tax Dep.	1657	1951182		19586	
9 16	D. Hinds	1658	1929609		21523	215
9 16	D. Hinds (mileage)	1659	1929138		471	
9 17	Post Due Act.	1660	1924138		5000	

Exhibit K 6-8-78

WASH DC 11/17

STATEMENT

MCCARTHY TV AD

APPS ADVERTISING AGENCY
South Point Plaza
Lansing, Michigan 48910

TO: McCarthy for '76
1440 1 Street, NW
Washington, D.C. 20005

as of December 31, 1976

Date	Invoice #	charged Amount	Credit	Balance
10-19-76	019260	\$ 21,142.00		
10-26-76	019440	21,142.00		
11-1-76	019441	7,322.00		
11-1-76	019526	18,875.00		
11-3-76	Wire transfer McCarthy '76 Wash, D.C.		\$14,000.00 ✓	
11-2-76	check-Chicago Dick Smith		2,000.00	
12-8-76	Check-Wash.DC McCarthy '76 Wash, DC		5,588.00	
11-1-76	Wire transfer Comm for Const- Connellsville, Pa.		14,000.00 ✓	
11-3-76	Wire transfer Wash.D.C. McCarthy '76 Wash, DC		11,000.00 ✓	

\$68,481.00 . \$46,588.00 \$21,893.00 12/31

Project \$16,710.70 6-8-78

Exhibit # 6-8-78

JAN 20 1977

STATEMENTMcCARTHY TV AD

EDUCATIONAL SUBSCRIPTION SERVICE
3308 S. Cedar Street, #11
Lansing, Michigan 48910

TO: McCarthy for '76
1440 N Street, NW
Washington, D.C. 20005

as of December 31, 1976

Date	Invoice #	charged Amount	Credit	Balance
10-19-76	019260	\$ 21,142.00		
10-26-76	019440	21,142.00		
11-1-76	019441	7,322.00		
11-1-76	019526	18,875.00		
11-3-76	Wire transfer McCarthy '76		\$14,000.00	
11-2-76	check-Chicago Dick Smith		2,000.00	
12-8-76	Check-Wash.DC McCarthy '76		5,588.00	
11-1-76	Wire transfer Comm for Const- Connellsville, Pa.		14,000.00	
11-3-76	Wire transfer Wash.D.C. McCarthy '76		11,000.00	
		<hr/> \$68,481.00	<hr/> \$46,588.00	\$21,893.00

01010213173

61 59.333 X 248 77.5
51 59.333 X 248 77.5
Pay to the order of
68-78
12 1001

Dec. 8, 1976 15-3 540

\$5,588.00

The sum of 5588 and 00/100ths

Dollars

Wikimedia Foundation

The RIGGS NATIONAL BANK
WASHINGTON, D. C.
MAIN OFFICE
1503 PENNSYLVANIA AVENUE, N. W.

000005588000

0051000030 0108181598

Washington Watch

South Point Plaza • Lansing, Michigan 48910 • (517) 393-0250

Memorandum

SUBJECT LETTER OF AGREEMENT REGARDING MCCARTHY BOOK

This is my recollection of what was in the letter of agreement between Sen. McCarthy and Washington Watch.

The two parties agreed to undertake a serious book on state of American political system and publish a book about this subject sometime after the 1976 Election Campaign.

It was agreed that Sen. McCarthy would write the book after the campaign of 1976 got over and will sign a detailed contract with Washinton Watch about this project.

Washington Watch agreed to advance some funds to Sen. McCarthy on loan basis until the detailed contract was signed.

Washington Watch and Senator McCarthy agreed to share the expenses and profits of the book on 50/50 basis.

prepared 6-7-78

Indranar Pollar, Publisher
Washington Watch Inc.

C O P Y

Raymond's Exhibit B

6 8-78

October 14th 1977

My dear Sen. McCarthy:

Attached with the letter is a copy of the renewal of the note of last year in per your request.

I will appreciate if you will sign the same and return the original to me either by mail or with Mr. Gurlian.

After you have had a chance to interview with Mr. Gurlian, I would like to discuss with you the specific details of his assignment.

As you know, I will be leaving for India next year in July, I would like to see the book project in competent hands as far as business and is concerned.

I have contacted several publishers and they have all said that they cannot discuss my advance until we have a strong outline of the book, its rationale and also one or two chapters written.

In order to have the book ready for publication in fall of 1977...the manuscript is due by end of this year or certainly very early the next year.

Mr. Gurlian's salary requirements are less than \$200/week and say for six to eight months assignment we are talking about \$5,000 to \$6,000 for his salaries plus expenses.

My own financial position after the Indian elections is not very good and Washington which continues to have large accumulated deficits.

The question to be decided is how much will cost in time and money to get to an outline stage plus one chapter of the book and afterwards if we wish to consider selling the rights to a publisher or publishing the book ourselves.

I would like your views on both of these questions.

Let us hope this book breaks all bestseller records.

With fondest regards and appreciation,

Sincerely yours,

Richard M. Nixon

Chairman, Library, Publisher

810192131195

Catherine Renner, Court Reporter
4113 Bermuda Avenue
Sault Ste. Marie, Michigan 49783

122
invoice no.

July 10, 1978

Ms. Elena King
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Re: Eugene McCarthy, McCarthy '76, Committee for a
Constitutional Presidency

Deposition of Bruce L. Brown taken 6-6-78

Attendance	\$ 25.00
35 Pages (original & 2 copies)	<u>78.75</u>
Total	\$103.75

Employer Identification No. 38-2179334

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

EUGENE McCARTHY

McCARTHY '76

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

MUK
485
(77)

DEPOSITION OF:

BRUCE L. BROWN

APPEARING FOR THE FEDERAL ELECTION COMMISSION:

BIZ VAN GELDER

ELENA KING

I N D E X

EXAMINATIONS:

PAGE:

Examination By Ms. Van Gelder

3

EXHIBITS:

Exhibit A Marked

10

Exhibit B Marked

11

Exhibit C Marked

16

Exhibit D Marked

17

Exhibit E Marked

19

-oOo-

BRUCE L. BROWN,

a witness herein, being first duly sworn, testified under oath as follows:

MS. VAN GELDER: Let the record reflect that we are in the Board of County Commission's Room in Sault Ste. Marie, Michigan, and it is approximately 1:03; the time and place set for the taking of the deposition of Bruce L. Brown.

EXAMINATION

BY MS. VAN GELDER:

Q Would you state your name for the record?

A Bruce L. Brown.

Q And your address?

A Rte. 1, Box 293, Sault Ste. Marie, Michigan.

Q And your telephone number?

A It's 632-8060.

Q What is your occupation, sir?

A Right now---farm worker.

Q Are you a farm worker at a particular farm?

A At the farm I live at.

Q You are self-employed?

A Right.

Q What was your occupation before that?

A I was---business manager for Washington Watch was my last employment.

Q When were you employed by Washington Watch?

A June 11---June 14 to November 9th of 1977.

Q Could you give us the business address of Washington Watch?

A There are two addresses. They go by either 3308 South Cedar, Lansing, 48910, or Southpoint Plaza, Lansing, 48910.

Q What did you do before you worked for Washington Watch?

1 A I worked for Education Subscription Service at the
2 same address.
3 Q How long did you work for Educational Subscription
4 Service?
5 A I worked there for about -- about six weeks altogether.
6 Q From -- do you know the dates?
7 A I am not absolutely sure -- the 1st of April to the
8 middle of May.
9 Q Of '77?
10 A Right.
11 Q Who was the supervisor at ESS?
12 A At that time -- Ted Simmons.
13 Q Okay, what did you do at ESS?
14 A I worked in the mailroom, and I worked on the machine to
15 send the promotional mailings.
16 Q Just what is it that ESS does?
17 A It's a subscription solicitation business for magazines.
18 They send out mailings or small cards that say: Cut
19 rates for college students, educators, and so on. It
20 solicits subscriptions to magazines.
21 Q What did you do before you worked for ESS?
22 A Before that I worked -- I'm trying to think if I had a
23 job in between in '76. I worked for the People's Party,
24 for the National Campaign Committee.
25 Q What did you do there?

1 A I was -- I worked on the campaign staff. I did mailings.
2 I did fund raising appeals. I did some -- a lot of
3 traveling. I did talking to groups. I wrote press re-
4 leases and campaign brochures.

5 Q Who did the People's Party support -- did they have a can-
6 didate in the '76 election?

7 A Yes, they had Margaret Ann Wright for President and
8 Benjamin Spock for Vice-President.

9 Q Let's go back to Washington Watch. Who was your super-
10 visor at Washington Watch?

11 A Evelyn Kipper was my supervisor. She was the managing
12 editor and my direct supervisor. Shrikumar Poddar,
13 S- h- r- i- k- u- m- a- r P- o- d- d- a- r, was the
14 publisher, and he also supervised my work.

15 Q And what were your duties and responsibilities at Washing-
16 ton Watch?

17 A I was business manager. I was in charge of promotions,
18 direct mailing, campaign advertising. I proof-read the
19 copy. I negotiated all business correspondence and
20 other business work. I did monthly budgets. I prepared
21 the bills to be paid -- although I did not sign the
22 checks I prepared the checks for Poddar to sign.

23 Q Did you also keep the books and records?

24 A Both myself and the managing editor worked on the books.

25 Q And the managing editor was Ms. Kipper?

1 A Ms. Kipper, yes.

2 Q What were your reasons for leaving Washington Watch?

3 A I was fired on November 9. We had quarrels, actually,
4 and he threatened to fire me in September, and from
5 September through November 9 we quarreled quite regularly
6 about the business practices and business ethics at
7 Washington Watch.

8 Q Did Ms. Kipper leave at approximately that time also?

9 A Yes, she was fired on November 12th.

10 Q And what was she fired for?

11 A She complained to him a week earlier when he hired a
12 new man above her that he was being paid a higher rate
13 than her, and that in effect she was being demoted to
14 make way for a male employee. She said to the publisher
15 it was sex discrimination.

16 Q The publisher being Mr. Poddar?

17 A Mr. Poddar and she quarreled about that and eventually
18 she was fired.

19 Q Do you know how we could contact Ms. Kipper?

20 A Yes.

21 Q Do you know her address?

22 A Yes, it is the same as mine.

23 Q Which is?

24 A Rte. 1, Box 293, Sault Ste. Marie.

25 Q In your Complaint which you filed with the Election

1 Commission on or about December 17, 1977, you attached
2 a number of documents.

3 A Correct.

4 Q I would like basically to ask you to explain the
5 allegations by answering some questions about the
6 documents.

7 Off the record for a second.

8 (Whereupon a short discussion followed
9 off the record.)

10 A Do you have an extra copy there?

11 Q Sure. Okay, Mr. Brown, the first campaign violation you
12 allege is Mr. Poddar made approximately \$21,200.00 in
13 unsecured loans to Eugene McCarthy via the McCarthy '76
14 Committee for a Constitutional Presidency. How did you
15 arrive at the amount Mr. Poddar gave to Mr. McCarthy?

16 A On this particular section I discovered them when I
17 went to Washington, D.C., after I was discharged in
18 November. I looked at the McCarthy records, and that
19 seemed to be what was listed in the public file.

20 Q But what gave you any inkling Mr. Poddar and Senator
21 McCarthy were even linked together?

22 A Well, I discovered these links during the five months
23 I was employed there -- the first day I was employed as
24 a matter of fact.

25 As business manager I reviewed the books

1 and I discovered a considerable sum of money going to
2 McCarthy, going from the books of Washington Watch.

3 I questioned Poddar and he said it was
4 a normal business procedure; he didn't elaborate.

5 As the weeks went by I discovered more
6 and more evidence that there was a large amount of
7 collaboration between the McCarthy campaign committee
8 and Mr. Poddar.

9 Q Could you elaborate on that?

10 A Well, Ted Simmons was supervisor. I found brochures on
11 McCarthy and I asked Mr. Simmons what the role of the
12 company was in the McCarthy committee, and he told me
13 they apparently did mailings for McCarthy fund raising
14 appeals.

15 Q Could you explain, clarify -- Mr. Simmons was your super-
16 visor at ESS?

17 A Right.

18 Q Could you explain what the the intersection of ESS and
19 Washington Watch is, if any?

20 A ESS is a for-profit company. It makes -- the New York
21 Times says -- a million, over a million dollars in gross
22 per year. I don't exactly know how much they make.

23 Washington Watch is a Michigan non-
24 profit organization. They occupy the same offices, and
25 Educational Subscription Service prints Washington Watch,

1 and Educational Subscription Service mails Washington
2 Watch. They typeset it. In effect they finance it.

3 Q so do they charge in the normal course of business --
4 ESS and Washington Watch?

5 A It's -- well, they do fill out purchase orders between
6 these two companies for certain things like printing.
7 They are almost never paid in the normal course of
8 business.

9 Q Okay, so although you were still working for Washington
10 Watch you were connected with ESS?

11 A Right and Ms. Kipper was managing editor for Washington
12 Watch for over a year, and during six months of that
13 time she was arbitrarily placed on the payroll of Educa-
14 tional Subscription Service. This is a common practice.

15 Q How did you make the transfer from the ESS mailroom to
16 business manager at Washington Watch?

17 A I asked Mr. Poddar for the job. He suggested to a number
18 of people that he was looking for a business manager to
19 manage Washington Watch. He knew my background and
20 because I felt I was qualified I asked him to consider
21 me and filled out an application.

22 Q What was your background?

23 A I graduated -- you mean my educational background -- I
24 graduated from Michigan State University with a B.A. I
25 worked on a newspaper called the Lansing Star, and during

1 the course of that year got much experience in newspapers
2 and newsletters, and went on to work for the Peoples
3 Party. And I was again engaged there in printed material
4 so I felt I was qualified then to accept the job as
5 business manager of the Newsletter.

6 MS. VAN GELDER: Would you mark this,
7 please?

8 (Exhibit A marked.)

9 Q Mr. Brown, I'm going to hand you Exhibit A, and I would
10 like you to identify that, and to focus on the second
11 name if you would.

12 A This is a Federal Election Commission document, debts
13 and obligations for the committee for constitutional
14 presidency.

15 The second name is Shrikumar Poddar,
16 and under the column the amount of original debt, con-
17 tract, agreement, or promise is listed \$20,000.00. And
18 under the column outstanding balance at close of this
19 period is listed \$20,000.00.

20 Q Mr. Brown, do you happen to know if this \$20,000.00 in
21 unsecured loans came from Poddar personally, or was it
22 made through the books of Washington Watch and Education-
23 al Subscription Service?

24 I don't know. It was a personal loan. It's listed as
25 a personal loan; that's why I assumed it is one.

1 Q Okay, fine. In your campaign violation allegation Number
2 2 you allege that there were \$51,000.00 in aggregate
3 loans loaned to the CCP. Again, the \$51,000.00 is
4 actually by Poddar through the books of the Washington
5 Watch?

6 A That's correct.

7 Q Can you tell me how you came to believe Poddar had loaned
8 sums through Washington Watch to give it to McCarthy?

9 A As business manager I found in the books for '76 large
10 sums of money going to Senator McCarthy, and I listed--
11 I have attached these copies of these journals to this
12 complaint, that's how I first became aware of it. I
13 didn't know the total amount until sometime in October
14 of 1977 when Poddar handed me a note signed by Eugene
15 McCarthy stating Washington Watch had loaned Eugene
16 McCarthy \$51,000.00.

17 Q Cathy, would you mark this Exhibit B?

18 (Whereupon Exhibit was marked.)

19 Mr. Brown, I hand you Exhibit B, and
20 would like you to identify it, please.

21 A This is the note that Mr. Poddar gave to me to write
22 Senator McCarthy as business manager and remind him that
23 he had -- that he owed Washington Watch the sum of
24 \$51,000.00, and it is signed Eugene McCarthy, and de-
25 nominated in \$5,000.00, \$10,000.00, and \$6,000.00

denominations. It's dated under the signature, 10-6-76.

Q Did you in fact contact Mr. McCarthy?

A I did send a brief note. Mr. Poddar seemed to want a more ascertive letter written, and I felt this would be out of place for me to demand in strong language repayment so I simply sent a note to remind him of his obligation.

Q Do you have any recollection of the date of that note that you sent?

A I believe it was somewhere in the middle of October.

Q You have a recollection Mr. Poddar wanted a more forceful note than what you sent?

A Yes, he did. Mr. McCarthy was in town several weeks before, and had stayed with Mr. Poddar at his residence, and I felt that if he wanted a more dramatic demonstration that he wanted the money returned he had an opportunity to talk to Mr. McCarthy so I didn't feel personally comfortable in sending McCarthy a strong note demanding payment.

Q Do you happen to know if Mr. Poddar was personally involved in the campaign?

A Yes, he was finance chairman.

Q For McCarthy, CCP McCarthy, CCP McCarthy '76 Lansing?

A He signed certain letters as chairman of the finance committee for McCarthy '76.

1 Q Let's focus back on the note for a second. Do you have
2 reason to believe this note was not issued during an
3 arms length business transaction between Washington Watch
4 and Senator McCarthy?

5 A Could you repeat that?

6 Q Do you have reason to believe that this note does not
7 reflect an arms length business transaction between
8 Washington Watch and Senator McCarthy?

9 A Yes, I have reason to believe it was not. \$51,000.00
10 in terms of the Washington Watch Newsletter is a very
11 large sum. The Newsletter, the Washington Watch News-
12 letter, never loaned anybody that sum of money. In
13 fact it was in debt over \$180,000.00 to Educational
14 Subscription Service at that time. It was not in a
15 financial position to loan that kind of money.

16 Q Do you know of any loans made prior to that time by any
17 related organizations to Washington Watch to supply the
18 money to authorize this loan?

19 A Yes, a direct transfer from Educational Subscription
20 Service into Washington Watch was a common practice.
21 At times they would run in sums of \$100,000.00 or more.

22 Q Do you have knowledge of a transfer of money made within
23 a few weeks before the loans?

24 A Since I wasn't working at the time all I know is that
25 the bookkeeping journals reflect large deposits from

1 some source. From my experience there I would say it
2 was Educational Subscription Service, but I don't know
3 that for a fact.

4 Q At this time would it be possible---can you tell us
5 the names of the banks in which Educational Subscription
6 Service and Washington Watch have deposits?

7 A I believe it's called the East Lansing State Savings.

8 Q And that would be located where?

9 A East Lansing, Michigan.

10 Q Do both companies have their deposits in the same bank?

11 A It might be called the First National Savings of East
12 Lansing. There are two banks of East Lansing. I can't
13 recollect which one it is---both companies have the
14 same bank.

15 Q What is the signature for the ESS account? Who signs
16 the checks?

17 A Mr. Poddar and Mrs. Poddar.

18 Q Them alone?

19 A Them alone.

20 Q In what way is Mrs. Poddar connected with Educational
21 Subscription Service?

22 A She is a company owner and she is also the actual
23 manager of Educational Subscription Service.

24 Q And who are the signatures on the Washington Watch
25 account?

1 A They were the same two, Mr. Poddar and Mrs. Poddar.

2 Q Mr. Brown, what is Mrs. Poddar's role in Washington
3 Watch?

4 A In the Washington Watch---her personal role is she
5 doesn't want to be involved. She considers it her
6 husband's political hobby, but she is listed on the
7 board of directors.

8 Q Does she have any active participation with Washington
9 Watch?

10 A No, no she doesn't.

11 Q You are currently involved in a law suit in the State
12 of Michigan, Circuit Court for the County of Ingham,
13 is that correct?

14 A Right.

15 Q Which is entitled Washington Watch vs. Bruce L. Brown?

16 A That's correct.

17 Q In the suit Washington Watch alleges that you have pro-
18 cured certain documents without their permission and
19 that you have no claim of right to these articles, is
20 that the basis of the allegations they made?

21 A That's the basis, right.

22 Q One of the allegations is you had procured a copy of an
23 agreement in which Washington Watch and Eugene McCarthy
24 agreed McCarthy would give rights to a book he was
25 writing so excerpts could be published by Washington

1 Watch and that the 51,000 or thereabouts dollars, would
2 be used as an option, so to speak, for rights to the
3 book. Do you have any knowledge of this?

4 A I have never seen that document. I am familiar, however,
5 with all the files at Washington Watch. I don't believe
6 the document really exists.

7 Q So to the best of your ability and recollection you have
8 never seen and know of no one who has such a document?

9 A That's correct.

10 Q Is Exhibit B then the only contract between Washington
11 Watch and Eugene McCarthy that you have seen?

12 A There was another note similar to that but it only con-
13 tained the first \$15,000.00 in loans. This note then is
14 a consolidation of the earlier note. I did not make a
15 copy of the original note.

16 Q The first note covered the dates of June 17, '76, July
17 13, '76, and July 18, '76?

18 A That's correct.

19 Q Do you have any recollection of when that note was
20 signed?

21 A It seems to me it was signed before August of '76, if
22 I recall correctly.

23 Q Okay, I'm going to have Cathy mark this Exhibit C.

24 (Whereupon Exhibit C was marked.)

25 Mr. Brown, I hand you Exhibit C, and I

1 would like you to identify it from the top.

2 A This is a Xerox copy of the Washinton Watch's cash dis-
3 bursement journal, and it's dated September, 1976.

4 On this journal dated 9-1-76 is the
5 transfer to E. McCarthy for \$10,006.00; and on 9-16
6 there is a transfer to E. McCarthy of \$6,006.00.

7 Q Do you happen to know what the \$6.00 was -- a transfer
8 charge?

9 A It was probably some kind of wire charge.

10 Q When these were wired do you have knowledge if they were
11 wired to Senator McCarthy personally or one of the
12 various committees?

13 A I don't know if it went to him personally or to his
14 committees.

15 Q All right, let the record reflect the aforementioned
16 dates are also reflected in the note which is Exhibit B.

17 And I'm going to ask Cathy to mark
18 Exhibit D.

19 (Whereupon Exhibit D was marked.)

20 Now, I am going to hand you the
21 Commissions' Exhibit D, and I would like to have you
22 identify this for me.

23 A This is also a Xeroxed copy of the Washington Watch's
24 cash disbursements journal for June 1976.

25 On this journal record dated June 17,

1 is a deposit for \$5,000.00. Also dated June 17 is,
2 under column amount of check, is a check for \$5,000.00
3 indicating it went to Eugene McCarthy.

4 Q Mr. Brown, how did you get these copies of this journal?

5 A I had those copies made. Those are journals that I was
6 using as business manager.

7 I was also the secretary of the corpor-
8 ation. During 1977, during the time I was working there
9 I frequently made Xerox copies of documents in the file.

10 Q In your capacity of secretary for the corporation?

11 A That's correct.

12 Q How did you become secretary of the corporation?

13 A Mr. Poddar needed a slot filled on the corporate record
14 and he elected to put my name in that position.

15 Q Who's name was there before you?

16 A He had filed the '76 corporate record with his name as
17 the president, the secretary, and treasurer, and his
18 wife's name as vice-president so I just assumed he want-
19 ed an additional name on the forms.

20 Q But were you not replacing Mr. Diettrich or Wright?

21 A Mr. Diettrich was on the board of directors because
22 Michigan law requires there be three members on the
23 board of directors, and Mr. Poddar was--he had trouble
24 before, several years ago, with a board of directors.
25 They elected to remove him from the board of directors

1 so he was careful who he put on the board of directors
2 after that.

3 Q Okay, let the record reflect that the transfers Mr.
4 Brown noted on Exhibit D are also reflected as noted, on
5 June 17, 1976 on Exhibit B.

6 (Whereupon Exhibit E was marked.)

7 Mr. Brown, I will hand you Exhibit E
8 which I would like you to identify from the top, please.

9 A This is also a Xerox copy of Washington Watch's cash
10 disbursement journal for the month of August 1976.

11 Listed on this journal dated 8-2-76 is
12 a deposit of \$10,000.00. 8-2-76 also has a check written
13 for \$10,000.00 to Eugene McCarthy.

14 Q Mr. Brown, why does that have the October 12, '76 mark up
15 in the upper right-hand corner?

16 A Well, these journals were prepared as internal bookkeeping
17 journals for Washington Watch. We submitted this
18 information to accountants who prepared taxes and of-
19 ficial accounting records, and I assume that October
20 12th date is the return to the office.

21 Q Do you happen to know who the accountant was?

22 A I can get you that information.

23 Q Let the record reflect that the transfer on August 2,
24 to Eugene McCarthy is reflected in the note which is
25 Exhibit B.

1 With all of the Exhibits I have just
2 shown you, Mr. Brown, do you have any idea where the
3 money deposited before hand came from?

4 A I don't. I have a suspicion where it came from.

5 Washington Watch operated -- Educational
6 Subscription Service operated two front companies called
7 Zipcode Publication and Apps, A- p- p- s, Advertising
8 Agency. These two companies are not real companies in
9 that they don't pay taxes or don't file reports -- these
10 other corporations -- but they solicit, they appear to
11 solicit business, the purchase of lists.

12 When advertising space is purchased it
13 is standard practice in this business to get 15 percent
14 commission off the cost of the advertising. Educational
15 Subscription Service and Washington Watch in the course
16 of a year would place over three or four hundred thousand
17 dollars in advertising which would give Apps Advertising
18 Agency \$50,000.00 or \$60,000.00.

19 Q Were you directly involved with Apps or Zipcode Publica-
20 tions?

21 A Yes.

22 Q And what was the nature and extent of your dealings with
23 them?

24 A Apps and Zipcode didn't have employees as such, they were
25 a paper company. I filled out the forms and I filled

1 out the purchase orders for these two companies.

2 Q You filled out the forms and purchase orders for Apps
3 and Zipcode?

4 A That's correct.

5 Q Did they have any other customers other than ESS?

6 A No, they did not, ESS and Washington Watch, and an
7 educational newsletter which was also a newsletter be-
8 longing to Poddar.

9 Q Apps and Zipcode were corporations?

10 A Apps doesn't have corporate existence. Zipcode does have
11 corporate papers filed with the State of Michigan.

12 Q Are you on the board of directors or an officer of either
13 of them?

14 A No.

15 Q Do you happen to know who the directors are?

16 A I have seen them once. I believe Mr. Poddar is the only
17 officer.

18 Q Mr. Brown, the third allegation is that the Washington
19 Watch made contributions in kind to the candidacy of
20 Eugene McCarthy in printing and circulating mail for the
21 campaign and in terms of writing various articles which
22 were designed to actively electioneer on behalf of
23 McCarthy. Is that an accurate summation?

24 A Yes, I do not believe they were reported to the Federal
25 Elections Commission as contributions.

1 Q Is Shrikumar Poddar the same as Kumar Poddar?

2 A Shri in Indian is something like Mister.

3 Q Did Mr. Poddar then solicit articles which were on the
4 candidacy of McCarthy and vowed to print these in the
5 Washington Watch to your knowledge?

6 A From talking with employees at Washington Watch Mr. Pod-
7 dar and John Boyles, who was an editor of Washington
8 Watch---in fact worked for six months prior to the cam-
9 paign of the McCarthy '76 headquarters in Washington,
10 D. C.---so they didn't have to solicit articles, they
11 made them in house.

12 Q The address of McCarthy '76, do you know it?

13 A I can get it for you. I think it would still have the
14 same address.

15 Q At the time was it 1440 North Street, N. W., Washington,
16 in the city---no, E. Washington.

17 A I believe so.

18 Q Who is Denise Burgess?

19 A Denise Burgess works at the Lansing Washington Watch
20 office. I have never met her. She was not employed
21 there when I was employed, but from things that she
22 signed, and the kind of files she kept, it is apparent
23 she did my job before I was there.

24 Q Did you ever in fact meet John Boyles?

25 A I met him only once, and that was in the Spring of 1977.

1 Q Do you have any idea how we can contact him?

2 A No, I do not.

3 Q Does the Washington Watch have a Washington office also?

4 A John Voyles did have a Washington office that was for
5 Washington Watch.

6 Q Do you happen to know where that is?

7 A No, I don't; that was closed before I worked there.

8 Q Mr. Brown, do you happen to know how many newsletters
9 are sent out by Washington Watch a week?

10 A Well, when I left it had a circulation of about 7,000.

11 Q How long has it been in operation?

12 A Since 1971, I believe.

13 Q And what is the price per subscription?

14 A It varies. When I left it was 12---no, \$15.00 for 50
15 issues.

16 Q Do they advertise subscriptions for Washington Watch
17 and ESS?

18 A Yes, all the time.

19 Q Could you summarize what Washington Watch is trying to
20 get across as a newsletter?

21 A It is a political newsletter designed to comment on
22 political affairs. It changes editors and political
23 focus frequently with the editors.

24 During the time Mr. Koffin was editor
25 he had a liberal perspective on political news. He

1 quarreled with Mr. Poddar and started his own newsletter.

2 Then Mr. Poddar had John Boyles and it
3 was far more conservative.

4 He left, and Ms. Kipper was hired, and
5 again it became leftwing or a more radical-liberal per-
6 spective.

7 Q Ms. Kipper then replaced John Boyles?

8 A Yes.

9 Q Now, Ms. Kipper was the managing editor?

10 A Yes.

11 Q So Mr. Boyles was also?

12 A Mr. Boyles and Tom M- e- c- h- l- i- n- g. Mr. Boyles
13 was located in Washington, and Mr. Mechling was located in
14 New York City. And Denise Burgess performed the function
15 of office manager and business manager, but Ms. Kipper
16 took the job and assumed some of the managing, as well
17 as editorial responsibilities.

18 Q So Mr. Mechling and Ms. Burgess and Mr. Boyles were all
19 employees of Washington Watch?

20 A That's correct.

21 Q Mr. Brown, you also allege that Apps and ESS made il-
22 legal contributions to the Committee for a Constitutional
23 Presidency and Eugene McCarthy by extending credit beyond
24 a commercially reasonable period. Would you tell me the
25 basis on which you allege that violation?

1 A The Apps Advertising Agency is not a registered or
2 officially recognized corporation. It is an in-house
3 agency that only does advertising, negotiates advertising,
4 for WashingtonWatch or Educational Subscription Service.
5 To my knowledge it has never solicited any outside bus-
6 iness advertisement so it is my assumption that any ad-
7 vertisement solicited for Eugene McCarthy and made by
8 Apps Advertising Agency was irregular business practices,
9 it didn't have precedent in the business.

10 Q You didn't happen to handle the books of Apps did you?

11 A I did not, no.

12 Q Do you know if Apps actually billed McCarthy for services
13 rendered?

14 A I never saw any bills for it, but it could have been
15 kept in a different location.

16 Q You did the books for ESS?

17 A No.

18 Q You don't have any direct knowledge of whether or not
19 ESS actually billed McCarthy for services rendered?

20 A That's correct.

21 Q Your complaint is based on the reports filed with the
22 Commission that are extensive debts which were slowly,
23 if at all, being repaid by McCarthy to both Apps and ESS?

24 A That's correct.

25 Q Do you have knowledge of whether or not ESS has other,

1
2 does other mailings for people other than Washington
3 Watch?

4 A I've never seen a mailing while I was there with any
5 other company other than ESS by Washington Watch or any
6 of the other assumed names of those two companies.

7 Q To the best of your knowledge do you know if Apps ever
8 had any other clients other than ESS or Washington Watch
9 or related companies?

10 A I have never seen any indication there was any other
11 clients involved.

12 Q Mr. Brown, who is Lawrence T-H-A-R-P?

13 A He was hired on or about November 1. At the time he was
14 hired he was hired by Educational Subscription Service.
15 I did not know his full duties or responsibilities but on
16 November 9, the day I was fired, Mr. Poddar said he was
17 indeed my replacement.

18 Q Have you contacted Mr. Tharp since the time you left
19 work?

20 A I have never spoken with him.

21 Q Mr. Brown, what is the status of your litigation with
22 Washington Watch?

23 A I recently was subpoenaed and gave a deposition to Mr.
24 Birch, the attorney for Washington Watch, and that's the
25 extent of movement in that case.

Q When Educational Subscription Service sends out mailings

1 which are not related to magazine subscriptions who de-
 2 notes that as fund raising, or do they have a capacity
 3 to raise funds by mailings, direct mailings or solicita-
 4 tions?

5 A They have that capacity, certainly. They normally raise
 6 money through Washington Watch or through any of a num-
 7 ber of front companies.

8 There is the Indian Foundation which
 9 raises money, ostensibly to help Indian students, and
 10 the Bangladesh Relief Fund, these monies were directly
 11 controlled by Mr. Poddar, whatever monies came in.

12 Q Mr. Brown, just to summarize what we have gone over to-
 13 day, to the best of your knowledge there are not con-
 14 tracts, notes, or other agreements between Washington
 15 Watch and Eugene McCarthy which would show the \$51,000.00
 16 loaned Mr. McCarthy was actually an option to have first
 17 rights to a book which Mr. McCarthy was writing?

18 A I have never seen anything of that nature for either Mr.
 19 McCarthy or any other author.

20 Q And therefore you did not procure, convey, or take any
 21 such document which Senator McCarthy might have used to
 22 rebut the inferences before the Commission?

23 A That's correct, I took nothing.

24 Q All the documents you supplied the Commission are photor-
 25 copies and you left the originals?

1 A Yes.

2 Q With respect to Apps Advertising Agency do you have any
3 knowledge whether or not Apps Extended credit to Senator
4 McGovern, did you go back to the '72 books?

5 A I really wanted to because the talk around Lansing was
6 Poddar was heavily involved with the McGovern campaign,
7 but those books weren't in the office so I had no oppor-
8 tunity to look at them.

9 Q You say that the Emergency Relief for Bangladesh and the
10 Indian Foundation, and the International Student Alliance
11 of Indians for Democracy, I believe, are front organi-
12 zations. Are they pet charities which Mr. Poddar raises
13 money to send to the various organizations?

14 A They are all -- the Indian Foundation, the International
15 Student Fund, I think are just simple fronts.

16 The Emergency Relief for Bangladesh Fund
17 did have an independent board of directors. They
18 chartered a plane and were flying foodstuffs into
19 Bangladesh. They became aware Mr. Poddar was using the
20 chartered plane for business purposes.

21 Q Do you have any knowledge of a Tolton F- e- r- e- n- c- y?

22 A Yes, I worked on his campaign.

23 Q Could you explain who he is, and what he campaigned for?

24 A He was the Democratic Party Chairman of Michigan in 1966
25 through '67, I believe, and in 1968 he broke with

1 Lyndon Johnson and campaigned for Eugene McCarthy.

2 In 1970 he was a candidate for Governor
3 on the democratic ticket and he lost that campaign. In
4 1970 then he broke with the democratic party and joined
5 the Benjamin Spock People's Party.

6 Q Do you know whether or not Apps Advertising extended
7 credit to Mr. Ferency?

8 A Zolton has never mentioned that he's ever had Apps or
9 any of Poddar's organizations raise money for him.

10 Q Did Educational Subscription Service do any mailing
11 solicitation on behalf of Mr. Ferency?

12 A I do not know.

13 Q And finally, you were manager, business manager, at
14 Washington Watch?

15 A Yes.

16 Q And as such you were in charge of maintaining the books
17 and records of Washington Watch?

18 A That's right.

19 Q And you were in close contact with Educational Subscrip-
20 tion Service?

21 A Yes.

22 Q And had worked there previously?

23 A Yes.

24 Q But did not have the responsibility for maintaining the
25 books and records of ESS?

1 A That's correct.

2 Q Who was the person responsible for maintaining the books
3 and records?

4 A Ellen Finn, she's their bookkeeper. The accountant was
5 the same accountant for Washington Watch, and I forget
6 his name.

7 Q How long has Ms. Finn been employed by ESS?

8 A Eight years, I think.

9 Q Do you happen to know who is in charge or responsible
10 for the books and records at Apps Advertising and Zipcode
11 Publications?

12 A I have never seen any books or records. I have seen a
13 checkbook that was always in Mr. Poddar's possession.
14 I don't think any books or records are kept.

15 Q Do you have any idea which bank is the depository for
16 the other organizations?

17 A They're in the same bank, I think. I'll get you the
18 name of that bank.

19 Q Okay, Mr. Brown, I have one last question so I hope you
20 will take it in the spirit which it's given; is there any
21 sort of vendetta that is the basis of your complaint
22 with the FEC based upon your termination with Washington
23 Watch?

24 A I don't think so. I am active in political circles and
25 I intend to stay active in political circles.

1 I have heard people sincerely committed
2 to causes say Shrikumar Poddar has swindled them or in
3 some way broken their faith and their trust. It's my
4 feeling that somebody at sometime should make him in
5 some way accountable for his actions, and I feel I am
6 the most logical person to do that.

7 Q What is your connection with Evelyn Kipper?

8 A I have worked with her in political groups. I have know
9 her about four or five years now. She's a close friend.

10 Q Now, is she how you got to work for ESS and Washington
11 Watch?

12 A Yes, she got a job there and I applied to the ESS mail-
13 room. I used her recommendation to get the job as busi-
14 ness manager.

15 Q What were her reasons for leaving -- the sex discrimina-
16 tion suit?

17 A Primarily.

18 Q Do you have knowledge of the outcome of that suit?

19 A That's still being investigated. She had several hearings
20 on it. I don't know exactly what progress they have
21 made.

22 She was also very disturbed during the
23 last few months when we discovered more and more things
24 we considered criminal activities. And particularly
25 because Mr. Poddar would never attach his name to the

1 documents which would implicate him.

2 Q What did you consider criminal activities?

3 A Well, for one thing campaign violations.

4 I helped him get postal rates for a non-
5 profit corporation with substantially reduced postal
6 rates, and I told him that the postal rate couldn't be
7 used for political candidates and campaigns, and that I
8 would be very upset if after I signed the documents that
9 in fact it was a non-profit corporation he turned around
10 and used it for gain, for political candidates.

11 Q Mr. Brown, who is Mark R. F-A-U-B-I-A-N?

12 A He's a reporter for the State News.

13 Q The State News, is that the newspaper of Michigan State
14 University?

15 A That's correct.

16 Q Is that only published during University time?

17 A That's correct.

18 Q And how did you get introduced to Mr. Faubian?

19 A I know alot of people in the Lansing area connected with
20 news media. After Mr. Poddar brought suit against me I
21 went down to Lansing to file some papers--- in answer to
22 the complaint and other papers, motions to dismiss and
23 I stopped into visit with some friends in the various
24 newspapers there.

25 They were curious as to what the suit

1 was about and so I talked to the editor of the State
2 News and apparently he assigned Mr. Faubian to follow
3 up on the story. And he called me when I was home in
4 Sault Ste. Marie and asked me some questions about what
5 was happening with Educational Subscription Service and
6 Mr. Poddar.

7 Q At that time you had just received an acknowledgment of
8 receipt of your complaint from the Federal Elections
9 Commission?

10 A No.

11 Q You had not received acknowledgment your complaint had
12 been received and we were going to act on it?

13 A I received a letter in December acknowledging that the
14 Federal Elections Commission had received my complaint.
15 After the suit I sent another letter and I asked how to
16 proceed, for advice on how to proceed, and didn't have
17 the letter in my possession at the time.

18 Q You didn't know at the time you spoke with Mr. Faubian
19 that all the Federal Elections Commission's investiga-
20 tions are confidential?

21 A No, I did not.

22 Q Now you do know they are confidential?

23 A Yes, I do.

24 Q Have you received notification from the Federal Elections
25 Commission that a complaint has been lodged against you

1 by Eugene McCarthy based on a confidentiality section of
2 that act?

3 A No, I have not received that yet.

4 Q Well, you will probably receive one shortly.

5 Let me just state for the record all
6 investigations by the Commission are confidential, the
7 reasons are obvious. Until we find whether or not there
8 is substance to an allegation, until the Commission
9 either closes the case via conciliation or votes probable
10 cause and initiates the suit against respondent then
11 that is confidential.

12 The fact of your suit with Washington
13 Watch is not within the confidentiality section. You
14 can talk about that, but as far as the Commission being
15 here today, and investigation, the deposition, and the
16 fact we are to speak with Ms. Kipper, this is to be kept
17 confidential.

18 A Okay.

19 Q So finally you're speaking to the State News was not
20 more or less in response to the suit which was filed by
21 Washington Watch against you?

22 A That's right, the suit charged that I had stolen docu-
23 ments pertaining to the books, contracts with Eugene
24 McCarthy, and I didn't want the newspapers to publish
25 that I stole books, contracts or reports with Eugene

1 McCarthy so I spoke with them in detail about what I
2 took, what Xerox copies I made, and what I did with them.

3 MS. VAN GELDER: I have no more questions.
4

5 (Deposition concluded).
6

7 -oOo-

8 STATE OF MICHIGAN)
9) SS
10 COUNTY OF CHIPPEWA)

11 I, CATHERINE H. RENNER, notary public
12 in and for Chippewa County, Michigan, do hereby certify that
13 I stenographically recorded the examination of BRUCE L. BROWN,
14 a witness in the foregoing matter; that prior to the taking
15 of said deposition, the said deponent was duly sworn to tell
16 the truth, the whole truth and nothing but the truth, and
17 that the foregoing deposition is a true and correct trans-
18 cript of the testimony of the said deponent.

19 I further certify that no request was
20 made that the foregoing deposition be submitted to the said
21 deponent for examination or correction by him or that he sign
22 the same.

23 *Catherine H. Renner*
24 CATHERINE H. RENNER,
25 Notary Public in and for Chippewa County,
 Michigan.
 My Commission Expires: 8-9-81.

25 24 23 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

Schedule C
1976
Federal Election Commission
1325 M Street, N.W.
Washington, D.C. 20463

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

(See instructions on back)

Page 5 of 6
LINE NUMBER 27
(Use separate schedule(s) for each numbered line)

Name of Candidate or Committee in full	Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance Close of The Period
Committee for a Constitutional Presidency			
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN Charles Tandy 102 Morris Drive Laurel, MD	Date (month, day, year): 8-24-76 Amount: 100.	\$ -0-	\$ 100.
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOANS Shrikumar Poddar 2601 Cochise Lane Okemos, MI 48864	Date (month, day, year): 9-2-76 Amount: 20,000. 9-15-76	\$ -0-	\$ 20,000.
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND John + Susan Callahan 0234 SW Vermont Portland, OR 97219	Date (month, day, year): 3-76 Amount: 1,091.92 thru 9-76	\$ Converted to contribution by letter of 9-6-77	\$ -0-
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN John J. Tashman 14390 Glastonbury Detroit, MI 48223	Date (month, day, year): 10-8-76 Amount: 500.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN Lester + Mary Jane Moore 4848 South Alameda Corpus Christi, TX 78412	Date (month, day, year): 10-15-76 Amount: 1,000.	\$ Converted to contribution by letter of 9-12-77	\$ -0-
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN Elvera A. Johnson 2858 N. Mildred Ave. Chicago, IL 60657	Date (month, day, year): 10-22-76 Amount: 100.	\$ -0-	\$ 100.
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN Albert + Sarah Driscoll 689 Fairmount Ave. St. Paul, MN 55105	Date (month, day, year): 10-29-76 Amount: 500.	\$ 100.	\$ 400.
Full Name, mailing address, and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND Garnett Groh 130 Marie Ave. S. Connellsville, PA 15425	Date (month, day, year): 11-1-76 Amount: 14,000.	\$ -0-	\$ 14,000.
Subtotal this period this page (optional)	\$	\$	\$
Total this period (last page this line number only)	\$	\$	\$
Carry outstanding balance only, to appropriate line of summary.			

PLANNERS
EXHIBIT
4-6-78

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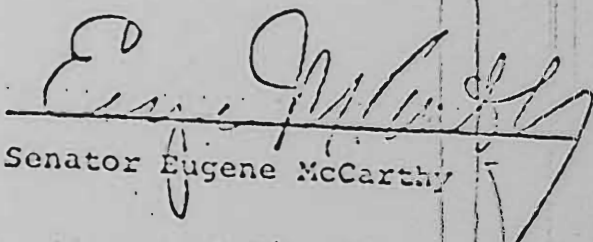
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan,
43910 has loaned the undersigned, Senator Eugene McCarthy,
the sum of \$51,000.00 (Fifty One Thousand Dollars Only)
plus interest at 7 1/2 percent per annum and payable in one
year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:


 Senator Eugene McCarthy

Date: 10/6/76

 PLAINTIFFS
 EXHIBIT
 5-1-76

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
SEPT 1976

Date	Payee	Check #	Balance 19241.35	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
9 13	Post. (Bus. Reply Mail)	1661	18991.38		250.00	
9 17	Post. (Act Fee ")	1662	18966.38		25.00	
9 21	Post.	1663	18626.38		340.00	
9 16	Deposit 9-87			48.00		
9 16	" 9-88			36.00		
9 16	" 9-89			39.00		
9 16	" 9-90			15.00		
9 16	" 9-91			60.00		
9 16	" 9-92			15.00		
9 16	" 9-93		19239.98	450.00		
8 27	Transfer E. McCarthy		9283.93		-10006.00	
9 01	"		722.02		10006.00	
9 16	"		6723.02		6006.00	
9 16	Correction Line #20		5071.32	1633.70		
9 16	DEPOSIT		6000.00	6000.00		
9 21	" 9-94			932.00		
9 21	"			4.50		
9 23	" 9-95			33.00		
9 23	" 9-97			1210.50		
9 30	" 9-98			299.50		
10 4	" 9-99		4511.48	829.00		
9 21	POST 2NYCLASS	1663			346.00	
9 27	THOMAS MECHLING	1664			901.30	
		VOID 1665				
9 27	JOY SLEE	1666			57.57	
9 27	JOHN BOYLES	1667			800.00	
		VOID 1668				
9 30	MICH BELL	1669			115.20	
9 30	DAN HINDS	1670	2247.04		50.00	50
10 6	M. PODDAR - INTEREST	1671			1898.83	
10 7	STATE of NICH FILING FEE	1672	387.61		10.00	
					1468.00	422

PLAINTIFFS
EXHIBIT
C 6-6-75

Page 2

WASHINGTON WATCH

CASH DISBURSEMENTS JOURNAL

JUNE 1976

PLAINTIFF'S
EXHIBIT

PLAINTIFF'S
EXHIBIT

E 1-6-76

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL

AUGUST 1976

OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Brought Fwd		135126			
8 2	Deposit 7-72		1135136	1000000		
8 2	Eugene J McCarthy	1640	135136		1000000	
8 3	Deposit 7-73		125426	300		
8 4	Deposit 7-74		157936	22500		
8 4	Deposit 7-75		186186	22350		
8 5	Dan Hinds	1641	164613	21573	21573	215
8 5	Denise Burgess	1642	150310	14302	14302	143
8 9	Torn Machinery	1643	65310		95000	
8 9	Deposit 8-76		122260	56950		
8 9	John Boyles	1644	42260		80000	
8 10	Deposit 8-77		44870	2610		
8 10	Deposit 8-78		105070	60200		
8 11	Deposit 8-79		106470	1400		
8 19	Deposit 8-80		275000	168530		
8 19	D Burgess (payroll)	1645	262205		12795	127
8 19	D. Hinds	1646	240632		21573	215
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81685		
8 25	Zip Code Pub.	1648	24383		84564	
8 25	Deletion WW subs	1649	16883		7500	
8 26	Post	1650	338617		355500	
8 27	Deposit		161383	5000 00		
8 30	Post Due Act.	1651	151383		10000	
9 1	Deposit 9-83		197823	46440	744823	746
9 2	D. Hinds	1652	176250		21573	215
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		1783	
9 9	Deposit 9-82		281108	107626 ✓		
9 9	Deposit 9-84		318698	37590		
9 10	Post (2nd class)	1655	298698		200 00	
9 14	Deposit 9-85		392648	999 50 ✓		
9 15	Deposit 9-86		992648	600000 ✓		
9 03	Deposit		1992648	10 000 00 ✓		
9 15	Tax Dep.	1656	1970768		21980	
9 15	Tax Dep	1657	1951182		19586	
9 16	D. Hinds	1658	1929609		21523	215
9 16	D. Hinds (mileage)	1659	1929138		471	
9 17	Post Due Act.	1660	1924138		5000	

BEFORE THE FEDERAL ELECTION COMMISSION

IN THE MATTER OF:

EUGENE McCARTHY

McCARTHY '76

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

MUK
485
(77)

DEPOSITION OF:

BRUCE L. BROWN

APPEARING FOR THE FEDERAL ELECTION COMMISSION:

BIZ VAN GELDER

ELENA KING

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BRUCE L. BROWN,

a witness herein, being first duly sworn, testified under oath as follows:

MS. VAN GELDER: Let the record reflect that we are in the Board of County Commission's Room in Sault Ste. Marie, Michigan, and it is approximately 1:03; the time and place set for the taking of the deposition of Bruce L. Brown.

EXAMINATION

BY MS. VAN GELDER:

Q Would you state your name for the record?

A Bruce L. Brown.

Q And your address?

A Rte. 1, Box 293, Sault Ste. Marie, Michigan.

Q And your telephone number?

A It's 632-8060.

Q What is your occupation, sir?

A Right now---farm worker.

Q Are you a farm worker at a particular farm?

A At the farm I live at.

Q You are self-employed?

A Right.

Q What was your occupation before that?

A I was---business manager for Washington Watch was my last employment.

Q When were you employed by Washington Watch?

A June 11---June 14 to November 9th of 1977.

Q Could you give us the business address of Washington Watch?

A There are two addresses. They go by either 3308 South Cedar, Lansing, 48910, or Southpoint Plaza, Lansing, 48910.

Q What did you do before you worked for Washington Watch?

1 A I worked for Education Subscription Service at the
2 same address.
3 Q How long did you work for Educational Subscription
4 Service?
5 A I worked there for about -- about six weeks altogether.
6 Q From -- do you know the dates?
7 A I am not absolutely sure -- the 1st of April to the
8 middle of May.
9 Q Of '77?
10 A Right.
11 Q Who was the supervisor at ESS?
12 A At that time -- Ted Simmons.
13 Q Okay, what did you do at ESS?
14 A I worked in the mailroom, and I worked on the machine to
15 send the promotional mailings.
16 Q Just what is it that ESS does?
17 A It's a subscription solicitation business for magazines.
18 They send out mailings or small cards that say: Cut
19 rates for college students, educators, and so on. It
20 solicits subscriptions to magazines.
21 Q What did you do before you worked for ESS?
22 A Before that I worked -- I'm trying to think if I had a
23 job in between in '76. I worked for the People's Party,
24 for the National Campaign Committee.
25 Q What did you do there?

1 A I was -- I worked on the campaign staff. I did mailings.
2 I did fund raising appeals. I did some -- a lot of
3 traveling. I did talking to groups. I wrote press re-
4 leases and campaign brochures.

5 Q Who did the People's Party support -- did they have a can-
6 didate in the '76 election?

7 A Yes, they had Margaret Ann Wright for President and
8 Benjamin Spock for Vice-President.

9 Q Let's go back to Washington Watch. Who was your super-
10 visor at Washington Watch?

11 A Evelyn Kipper was my supervisor. She was the managing
12 editor and my direct supervisor. Shrikumar Poddar,
13 S- h- r- i- k- u- m- a- r P- o- d- d- a- r, was the
14 publisher, and he also supervised my work.

15 Q And what were your duties and responsibilities at Washing-
16 ton Watch?

17 A I was business manager. I was in charge of promotions,
18 direct mailing, campaign advertising. I proof-read the
19 copy. I negotiated all business correspondence and
20 other business work. I did monthly budgets. I prepared
21 the bills to be paid -- although I did not sign the
22 checks I prepared the checks for Poddar to sign.

23 Q Did you also keep the books and records?

24 A Both myself and the managing editor worked on the books.

25 Q And the managing editor was Ms. Kipper?

- 1 A Ms. Kipper, yes.
- 2 Q What were your reasons for leaving Washington Watch?
- 3 A I was fired on November 9. We had quarrels, actually,
4 and he threatened to fire me in September, and from
5 September through November 9 we quarreled quite regularly
6 about the business practices and business ethics at
7 Washington Watch.
- 8 Q Did Ms. Kipper leave at approximately that time also?
- 9 A Yes, she was fired on November 12th.
- 10 Q And what was she fired for?
- 11 A She complained to him a week earlier when he hired a
12 new man above her that he was being paid a higher rate
13 than her, and that in effect she was being demoted to
14 make way for a male employee. She said to the publisher
15 it was sex discrimination.
- 16 Q The publisher being Mr. Poddar?
- 17 A Mr. Poddar and she quarreled about that and eventually
18 she was fired.
- 19 Q Do you know how we could contact Ms. Kipper?
- 20 A Yes.
- 21 Q Do you know her address?
- 22 A Yes, it is the same as mine.
- 23 Q Which is?
- 24 A Rte. 1, Box 293, Sault Ste. Marie.
- 25 Q In your Complaint which you filed with the Election

1 Commission on or about December 17, 1977, you attached
2 a number of documents.

3 A Correct.

4 Q I would like basically to ask you to explain the
5 allegations by answering some questions about the
6 documents.

7 Off the record for a second.

8 (Whereupon a short discussion followed
9 off the record.)

10 A Do you have an extra copy there?

11 Q Sure. Okay, Mr. Brown, the first campaign violation you
12 allege is Mr. Poddar made approximately \$21,200.00 in
13 unsecured loans to Eugene McCarthy via the McCarthy '76
14 Committee for a Constitutional Presidency. How did you
15 arrive at the amount Mr. Poddar gave to Mr. McCarthy?

16 A On this particular section I discovered them when I
17 went to Washington, D.C., after I was discharged in
18 November. I looked at the McCarthy records, and that
19 seemed to be what was listed in the public file.

20 Q But what gave you any inkling Mr. Poddar and Senator
21 McCarthy were even linked together?

22 A Well, I discovered these links during the five months
23 I was employed there -- the first day I was employed as
24 a matter of fact.

25 As business manager I reviewed the books

1 and I discovered a considerable sum of money going to
2 McCarthy, going from the books of Washington Watch.

3 I questioned Poddar and he said it was
4 a normal business procedure; he didn't elaborate.

5 As the weeks went by I discovered more
6 and more evidence that there was a large amount of
7 collaboration between the McCarthy campaign committee
8 and Mr. Poddar.

9 Q Could you elaborate on that?

10 A Well, Ted Simmons was supervisor. I found brochures on
11 McCarthy and I asked Mr. Simmons what the role of the
12 company was in the McCarthy committee, and he told me
13 they apparently did mailings for McCarthy fund raising
14 appeals.

15 Q Could you explain, clarify -- Mr. Simmons was your super-
16 visor at ESS?

17 A Right.

18 Q Could you explain what the the intersection of ESS and
19 Washington Watch is, if any?

20 A ESS is a for-profit company. It makes -- the New York
21 Times says -- a million, over a million dollars in gross
22 per year. I don't exactly know how much they make.

23 Washington Watch is a Michigan non-
24 profit organization. They occupy the same offices, and
25 Educational Subscription Service prints Washington Watch,

1 and Educational Subscription Service mails Washington
2 Watch. They typeset it. In effect they finance it.

3 Q so do they charge in the normal course of business --
4 ESS and Washington Watch?

5 A It's -- well, they do fill out purchase orders between
6 these two companies for certain things like printing.
7 They are almost never paid in the normal course of
8 business.

9 Q Okay, so although you were still working for Washington
10 Watch you were connected with ESS?

11 A Right and Ms. Kipper was managing editor for Washington
12 Watch for over a year, and during six months of that
13 time she was arbitrarily placed on the payroll of Educa-
14 tional Subscription Service. This is a common practice.

15 Q How did you make the transfer from the ESS mailroom to
16 business manager at Washington Watch?

17 A I asked Mr. Poddar for the job. He suggested to a number
18 of people that he was looking for a business manager to
19 manage Washington Watch. He knew my background and
20 because I felt I was qualified I asked him to consider
21 me and filled out an application.

22 Q What was your background?

23 A I graduated -- you mean my educational background -- I
24 graduated from Michigan State University with a B.A. I
25 worked on a newspaper called the Lansing Star, and during

1 the course of that year got much experience in newspapers
2 and newsletters, and went on to work for the Peoples
3 Party. And I was again engaged there in printed material
4 so I felt I was qualified then to accept the job as
5 business manager of the Newsletter.

6 MS. VAN GELDER: Would you mark this.
7 please?

8 (Exhibit A marked.)

9 Q Mr. Brown, I'm going to hand you Exhibit A, and I would
10 like you to identify that, and to focus on the second
11 name if you would.

12 A This is a Federal Election Commission document, debts
13 and obligations for the committee for constitutional
14 presidency.

15 The second name is Shrikumar Poddar,
16 and under the column the amount of original debt, con-
17 tract, agreement, or promise is listed \$20,000.00. And
18 under the column outstanding balance at close of this
19 period is listed \$20,000.00.

20 Q Mr. Brown, do you happen to know if this \$20,000.00 in
21 unsecured loans came from Poddar personally, or was it
22 made through the books of Washington Watch and Education-
23 al Subscription Service?

24 I don't know. It was a personal loan. It's listed as
25 a personal loan; that's why I assumed it is one.

1 Q Okay, fine. In your campaign violation allegation Number
2 you allege that there were \$51,000.00 in aggregate
3 loans loaned to the CCP. Again, the \$51,000.00 is
4 actually by Poddar through the books of the Washington
5 Watch?

6 A That's correct.

7 Q Can you tell me how you came to believe Poddar had loaned
8 sums through Washington Watch to give it to McCarthy?

9 A As business manager I found in the books for '76 large
10 sums of money going to Senator McCarthy, and I listed--
11 I have attached these copies of these journals to this
12 complaint, that's how I first became aware of it. I
13 didn't know the total amount until sometime in October
14 of 1977 when Poddar handed me a note signed by Eugene
15 McCarthy stating Washington Watch had loaned Eugene
16 McCarthy \$51,000.00.

17 Q Cathy, would you mark this Exhibit B?

18 (Whereupon Exhibit was marked.)

19 Mr. Brown, I hand you Exhibit B, and
20 would like you to identify it, please.

21 A This is the note that Mr. Poddar gave to me to write
22 Senator McCarthy as business manager and remind him that
23 he had -- that he owed Washington Watch the sum of
24 \$51,000.00, and it is signed Eugene McCarthy, and de-
25 nominated in \$5,000.00, \$10,000.00, and \$5,000.00

denominations. It's dated under the signature, 10-6-76.

Q Did you in fact contact Mr. McCarthy?

A I did send a brief note. Mr. Poddar seemed to want a more assertive letter written, and I felt this would be out of place for me to demand in strong language repayment so I simply sent a note to remind him of his obligation.

Q Do you have any recollection of the date of that note that you sent?

A I believe it was somewhere in the middle of October.

Q You have a recollection Mr. Poddar wanted a more forceful note than what you sent?

A Yes, he did. Mr. McCarthy was in town several weeks before, and had stayed with Mr. Poddar at his residence, and I felt that if he wanted a more dramatic demonstration that he wanted the money returned he had an opportunity to talk to Mr. McCarthy so I didn't feel personally comfortable in sending McCarthy a strong note demanding payment.

Q Do you happen to know if Mr. Poddar was personally involved in the campaign?

A Yes, he was finance chairman.

Q For McCarthy, CCP McCarthy, CCP McCarthy '76 Lansing?

A He signed certain letters as chairman of the finance committee for McCarthy '76.

1 Q Let's focus back on the note for a second. Do you have
2 reason to believe this note was not issued during an
3 arms length business transaction between Washington Watch
4 and Senator McCarthy?

5 A Could you repeat that?

6 Q Do you have reason to believe that this note does not
7 reflect an arms length business transaction between
8 Washington Watch and Senator McCarthy?

9 A Yes, I have reason to believe it was not. \$51,000.00
10 in terms of the Washington Watch Newsletter is a very
11 large sum. The Newsletter, the Washington Watch News-
12 letter, never loaned anybody that sum of money. In
13 fact it was in debt over \$180,000.00 to Educational
14 Subscription Service at that time. It was not in a
15 financial position to loan that kind of money.

16 Q Do you know of any loans made prior to that time by any
17 related organizations to Washington Watch to supply the
18 money to authorize this loan?

19 A Yes, a direct transfer from Educational Subscription
20 Service into Washington Watch was a common practice.
21 At times they would run in sums of \$100,000.00 or more.

22 Q Do you have knowledge of a transfer of money made within
23 a few weeks before the loans?

24 A Since I wasn't working at the time all I know is that
25 the bookkeeping journals reflect large deposits from

1 some source. From my experience there I would say it
2 was Educational Subscription Service, but I don't know
3 that for a fact.

4 Q At this time would it be possible---can you tell us
5 the names of the banks in which Educational Subscription
6 Service and Washington Watch have deposits?

7 A I believe it's called the East Lansing State Savings.

8 Q And that would be located where?

9 A East Lansing, Michigan.

10 Q Do both companies have their deposits in the same bank?

11 A It might be called the First National Savings of East
12 Lansing. There are two banks of East Lansing. I can't
13 recollect which one it is---both companies have the
14 same bank.

15 Q What is the signature for the ESS account? Who signs
16 the checks?

17 A Mr. Poddar and Mrs. Poddar.

18 Q Them alone?

19 A Them alone.

20 Q In what way is Mrs. Poddar connected with Educational
21 Subscription Service?

22 A She is a company owner and she is also the actual
23 manager of Educational Subscription Service.

24 Q And who are the signatures on the Washington Watch
25 account?

1 A They were the same two, Mr. Poddar and Mrs. Poddar.

2 Q Mr. Brown, what is Mrs. Poddar's role in Washington
3 Watch?

4 A In the Washington Watch---her personal role is she
5 doesn't want to be involved. She considers it her
6 husband's political hobby, but she is listed on the
7 board of directors.

8 Q Does she have any active participation with Washington
9 Watch?

10 A No, no she doesn't.

11 Q You are currently involved in a law suit in the State
12 of Michigan, Circuit Court for the County of Ingham,
13 is that correct?

14 A Right.

15 Q Which is entitled Washington Watch vs. Bruce L. Brown?

16 A That's correct.

17 Q In the suit Washington Watch alleges that you have pro-
18 cured certain documents without their permission and
19 that you have no claim of right to these articles, is
20 that the basis of the allegations they made?

21 A That's the basis, right.

22 Q One of the allegations is you had procured a copy of an
23 agreement in which Washington Watch and Eugene McCarthy
24 agreed McCarthy would give rights to a book he was
25 writing so excerpts could be published by Washington

1 Watch and that the 51,000 or thereabouts dollars, would
2 be used as an option, so to speak, for rights to the
3 book. Do you have any knowledge of this?

4 A I have never seen that document. I am familiar, however,
5 with all the files at Washington Watch. I don't believe
6 the document really exists.

7 Q So to the best of your ability and recollection you have
8 never seen and know of no one who has such a document?

9 A That's correct.

10 Q Is Exhibit B then the only contract between Washington
11 Watch and Eugene McCarthy that you have seen?

12 A There was another note similar to that but it only con-
13 tained the first \$15,000.00 in loans. This note then is
14 a consolidation of the earlier note. I did not make a
15 copy of the original note.

16 Q The first note covered the dates of June 17, '76, July
17 13, '76, and July 18, '76?

18 A That's correct.

19 Q Do you have any recollection of when that note was
20 signed?

21 A It seems to me it was signed before August of '76, if
22 I recall correctly.

23 Q Okay, I'm going to have Cathy mark this Exhibit C.

24 (Whereupon Exhibit C was marked.)

25 Mr. Brown, I hand you Exhibit C, and I

would like you to identify it from the top.

A This is a Xerox copy of the Washinton Watch's cash disbursement journal, and it's dated September, 1976.

On this journal dated 9-1-76 is the transfer to E. McCarthy for \$10,006.00; and on 9-16 there is a transfer to E. McCarthy of \$6,006.00.

Q Do you happen to know what the \$6.00 was -- a transfer charge?

A It was probably some kind of wire charge.

Q When these were wired do you have knowledge if they were wired to Senator McCarthy personally or one of the various committees?

A I don't know if it went to him personally or to his committees.

Q All right, let the record reflect the aforementioned dates are also reflected in the note which is Exhibit B.

And I'm going to ask Cathy to mark Exhibit D.

(Whereupon Exhibit D was marked.)

Now, I am going to hand you the Commissions' Exhibit D, and I would like to have you identify this for me.

A This is also a Xeroxed copy of the Washington Watch's cash disbursements journal for June 1976.

On this journal record dated June 17,

1 is a deposit for \$5,000.00. Also dated June 17 is,
2 under column amount of check, is a check for \$5,000.00
3 indicating it went to Eugene McCarthy.

4 Q Mr. Brown, how did you get these copies of this journal?

5 A I had those copies made. Those are journals that I was
6 using as business manager.

7 I was also the secretary of the corpora-
8 tion. During 1977, during the time I was working there
9 I frequently made Xerox copies of documents in the file.

10 Q In your capacity of secretary for the corporation?

11 A That's correct.

12 Q How did you become secretary of the corporation?

13 A Mr. Poddar needed a slot filled on the corporate record
14 and he elected to put my name in that position.

15 Q Who's name was there before you?

16 A He had filed the '76 corporate record with his name as
17 the president, the secretary, and treasurer, and his
18 wife's name as vice-president so I just assumed he want-
19 ed an additional name on the forms.

20 Q But were you not replacing Mr. Diettrich or Wright?

21 A Mr. Diettrich was on the board of directors because
22 Michigan law requires there be three members on the
23 board of directors, and Mr. Poddar was---he had trouble
24 before, several years ago, with a board of directors.
25 They elected to remove him from the board of directors

1 so he was careful who he put on the board of directors
2 after that.

3 Q Okay, let the record reflect that the transfers Mr.
4 Brown noted on Exhibit D are also reflected as noted, on
5 June 17, 1976 on Exhibit B.

6 (Whereupon Exhibit E was marked.)

7 Mr. Brown, I will hand you Exhibit E
8 which I would like you to identify from the top, please.

9 A This is also a Xerox copy of Washington Watch's cash
10 disbursement journal for the month of August 1976.

11 Listed on this journal dated 8-2-76 is
12 a deposit of \$10,000.00. 8-2-76 also has a check written
13 for \$10,000.00 to Eugene McCarthy.

14 Q Mr. Brown, why does that have the October 12, '76 mark up
15 in the upper right-hand corner?

16 A Well, these journals were prepared as internal bookkeeping
17 journals for Washington Watch. We submitted this
18 information to accountants who prepared taxes and of-
19 ficial accounting records, and I assume that October
20 12th date is the return to the office.

21 Q Do you happen to know who the accountant was?

22 A I can get you that information.

23 Q Let the record reflect that the transfer on August 2,
24 to Eugene McCarthy is reflected in the note which is
25 Exhibit B.

1 With all of the Exhibits I have just
2 shown you, Mr. Brown, do you have any idea where the
3 money deposited before hand came from?

4 A I don't. I have a suspicion where it came from.

5 Washington Watch operated -- Educational
6 Subscription Service operated two front companies called
7 Zipcode Publication and Apps, A- p- p- s, Advertising
8 Agency. These two companies are not real companies in
9 that they don't pay taxes or don't file reports -- these
10 other corporations -- but they solicit, they appear to
11 solicit business, the purchase of lists.

12 When advertising space is purchased it
13 is standard practice in this business to get 15 percent
14 commission off the cost of the advertising. Educational
15 Subscription Service and Washington Watch in the course
16 of a year would place over three or four hundred thousand
17 dollars in advertising which would give Apps Advertising
18 Agency \$50,000.00 or \$60,000.00.

19 Q Were you directly involved with Apps or Zipcode Publica-
20 tions?

21 A Yes.

22 Q And what was the nature and extent of your dealings with
23 them?

24 A Apps and Zipcode didn't have employees as such, they were
25 a paper company. I filled out the forms and I filled

1 out the purchase orders for these two companies.

2 Q You filled out the forms and purchase orders for Apps
3 and Zipcode?

4 A That's correct.

5 Q Did they have any other customers other than ESS?

6 A No, they did not, ESS and Washington Watch, and an
7 educational newsletter which was also a newsletter be-
8 longing to Poddar.

9 Q Apps and Zipcode were corporations?

10 A Apps doesn't have corporate existence. Zipcode does have
11 corporate papers filed with the State of Michigan.

12 Q Are you on the board of directors or an officer of either
13 of them?

14 A No.

15 Q Do you happen to know who the directors are?

16 A I have seen them once. I believe Mr. Poddar is the only
17 officer.

18 Q Mr. Brown, the third allegation is that the Washington
19 Watch made contributions in kind to the candidacy of
20 Eugene McCarthy in printing and circulating mail for the
21 campaign and in terms of writing various articles which
22 were designed to actively electioneer on behalf of
23 McCarthy. Is that an accurate summation?

24 A Yes, I do not believe they were reported to the Federal
25 Elections Commission as contributions.

1 Q Is Shrikumar Poddar the same as Kumar Poddar?

2 A Shri in Indian is something like Mister.

3 Q Did Mr. Poddar then solicit articles which were on the
4 candidacy of McCarthy and vowed to print these in the
5 Washington Watch to your knowledge?

6 A From talking with employees at Washington Watch Mr. Pod-
7 dar and John Boyles, who was an editor of Washington
8 Watch---in fact worked for six months prior to the cam-
9 paign of the McCarthy '76 headquarters in Washington,
10 D. C.---so they didn't have to solicit articles, they
11 made them in house.

12 Q The address of McCarthy '76, do you know it?

13 A I can get it for you. I think it would still have the
14 same address.

15 Q At the time was it 1440 North Street, N. W., Washington,
16 in the city---no, E. Washington.

17 A I believe so.

18 Q Who is Denise Burgess?

19 A Denise Burgess works at the Lansing Washington Watch
20 office. I have never met her. She was not employed
21 there when I was employed, but from things that she
22 signed, and the kind of files she kept, it is apparent
23 she did my job before I was there.

24 Q Did you ever in fact meet John Boyles?

25 A I met him only once, and that was in the Spring of 1977.

1 Q Do you have any idea how we can contact him?

2 A No, I do not.

3 Q Does the Washington Watch have a Washington office also?

4 A John Voyles did have a Washington office that was for
5 Washington Watch.

6 Q Do you happen to know where that is?

7 A No, I don't; that was closed before I worked there.

8 Q Mr. Brown, do you happen to know how many newsletters
9 are sent out by Washington Watch a week?

10 A Well, when I left it had a circulation of about 7,000.

11 Q How long has it been in operation?

12 A Since 1971, I believe.

13 Q And what is the price per subscription?

14 A It varies. When I left it was 12---no, \$15.00 for 50
15 issues.

16 Q Do they advertise subscriptions for Washington Watch
17 and ESS?

18 A Yes, all the time.

19 Q Could you summarize what Washington Watch is trying to
20 get across as a newsletter?

21 A It is a political newsletter designed to comment on
22 political affairs. It changes editors and political
23 focus frequently with the editors.

24 During the time Mr. Koffin was editor
25 he had a liberal perspective on political news. He

1 quarreled with Mr. Poddar and started his own newsletter.

2 Then Mr. Poddar had John Boyles and it
3 was far more conservative.

4 He left, and Ms. Kipper was hired, and
5 again it became leftwing or a more radical-liberal per-
6 spective.

7 Q Ms. Kipper then replaced John Boyles?

8 A Yes.

9 Q Now, Ms. Kipper was the managing editor?

10 A Yes.

11 Q So Mr. Boyles was also?

12 A Mr. Boyles and Tom M- e- c- h- l- i- n- g. Mr. Boyles
13 was located in Washington, and Mr. Mechling was located in
14 New York City. And Denise Burgess performed the function
15 of office manager and business manager, but Ms. Kipper
16 took the job and assumed some of the managing, as well
17 as editorial responsibilities.

18 Q So Mr. Mechling and Ms. Burgess and Mr. Boyles were all
19 employees of Washington Watch?

20 A That's correct.

21 Q Mr. Brown, you also allege that Apps and ESS made il-
22 legal contributions to the Committee for a Constitutional
23 Presidency and Eugene McCarthy by extending credit beyond
24 a commercially reasonable period. Would you tell me the
25 basis on which you allege that violation?

1 A The Apps Advertising Agency is not a registered or
2 officially recognized corporation. It is an in-house
3 agency that only does advertising, negotiates advertising,
4 for WashingtonWatch or Educational Subscription Service.
5 To my knowledge it has never solicited any outside bus-
6 iness advertisement so it is my assumption that any ad-
7 vertisement solicited for Eugene McCarthy and made by
8 Apps Advertising Agency was irregular business practice,
9 it didn't have precedent in the business.

10 Q You didn't happen to handle the books of Apps did you?

11 A I did not, no.

12 Q Do you know if Apps actually billed McCarthy for services
13 rendered?

14 A I never saw any bills for it, but it could have been
15 kept in a different location.

16 Q You did the books for ESS?

17 A No.

18 Q You don't have any direct knowledge of whether or not
19 ESS actually billed McCarthy for services rendered?

20 A That's correct.

21 Q Your complaint is based on the reports filed with the
22 Commission that are extensive debts which were slowly,
23 if at all, being repaid by McCarthy to both Apps and ESS?

24 A That's correct.

25 Q Do you have knowledge of whether or not ESS has other,

1
2 does other mailings for people other than Washington
3 Watch?

4 A I've never seen a mailing while I was there with any
5 other company other than ESS by Washington Watch or any
6 of the other assumed names of those two companies.

7 Q To the best of your knowledge do you know if Apps ever
8 had any other clients other than ESS or Washington Watch
9 or related companies?

10 A I have never seen any indication there was any other
11 clients involved.

12 Q Mr. Brown, who is Lawrence T-H-A-R-P?

13 A He was hired on or about November 1. At the time he was
14 hired he was hired by Educational Subscription Service.
15 I did not know his full duties or responsibilities but on
16 November 9, the day I was fired, Mr. Poddar said he was
17 indeed my replacement.

18 Q Have you contacted Mr. Tharp since the time you left
19 work?

20 A I have never spoken with him.

21 Q Mr. Brown, what is the status of your litigation with
22 Washington Watch?

23 A I recently was subpoenaed and gave a deposition to Mr.
24 Birch, the attorney for Washington Watch, and that's the
25 extent of movement in that case.

Q When Educational Subscription Service sends out mailings

1 which are not related to magazine subscriptions who de-
2 notes that as fund raising, or do they have a capacity
3 to raise funds by mailings, direct mailings or sollicita-
4 tions?

5 A They have that capacity, certainly. They normally raise
6 money through Washington Watch or through any of a num-
7 ber of front companies.

8 There is the Indian Foundation which
9 raises money, ostensibly to help Indian students, and
10 the Bangladesh Relief Fund, these monies were directly
11 controlled by Mr. Poddar, whatever monies came in.

12 Q Mr. Brown, just to summarize what we have gone over to-
13 day, to the best of your knowledge there are not con-
14 tracts, notes, or other agreements between Washington
15 Watch and Eugene McCarthy which would show the \$51,000.00
16 loaned Mr. McCarthy was actually an option to have first
17 rights to a book which Mr. McCarthy was writing?

18 A I have never seen anything of that nature for either Mr.
19 McCarthy or any other author.

20 Q And therefore you did not procure, convey, or take any
21 such document which Senator McCarthy might have used to
22 rebut the inferences before the Commission?

23 A That's correct, I took nothing.

24 Q All the documents you supplied the Commission are photo-
25 copies and you left the originals?

1 A Yes.

2 Q With respect to Apps Advertising Agency do you have any
3 knowledge whether or not Apps Extended credit to Senator
4 McGovern, did you go back to the '72 books?

5 A I really wanted to because the talk around Lansing was
6 Poddar was heavily involved with the McGovern campaign,
7 but those books weren't in the office so I had no oppor-
8 tunity to look at them.

9 Q You say that the Emergency Relief for Bangladesh and the
10 Indian Foundation, and the International Student Alliance
11 of Indians for Democracy, I believe, are front organi-
12 zations. Are they pet charities which Mr. Poddar raises
13 money to send to the various organizations?

14 A They are all -- the Indian Foundation, the International
15 Student Fund, I think are just simple fronts.

16 The Emergency Relief for Bangladesh Fund
17 did have an independent board of directors. They
18 chartered a plane and were flying foodstuffs into
19 Bangladesh. They became aware Mr. Poddar was using the
20 chartered plane for business purposes.

21 Q Do you have any knowledge of a Tolton F- e- r- e- n- c- y?

22 A Yes, I worked on his campaign.

23 Q Could you explain who he is, and what he campaigned for?

24 A He was the Democratic Party Chairman of Michigan in 1964
25 through '67, I believe, and in 1968 he broke with

1 Lyndon Johnson and campaigned for Eugene McCarthy.

2 In 1970 he was a candidate for Governor
3 on the democratic ticket and he lost that campaign. In
4 1970 then he broke with the democratic party and joined
5 the Benjamin Spock People's Party.

6 Q Do you know whether or not Apps Advertising extended
7 credit to Mr. Ferency?

8 A Zolton has never mentioned that he's ever had Apps or
9 any of Poddar's organizations raise money for him.

10 Q Did Educational Subscription Service do any mailing
11 solicitation on behalf of Mr. Ferency?

12 A I do not know.

13 Q And finally, you were manager, business manager, at
14 Washington Watch?

15 A Yes.

16 Q And as such you were in charge of maintaining the books
17 and records of Washington Watch?

18 A That's right.

19 Q And you were in close contact with Educational Subscrip-
20 tion Service?

21 A Yes.

22 Q And had worked there previously?

23 A Yes.

24 Q But did not have the responsibility for maintaining the
25 books and records of ESS?

1 A That's correct.

2 Q Who was the person responsible for maintaining the books
3 and records?

4 A Ellen Finn, she's their bookkeeper. The accountant was
5 the same accountant for Washington Watch, and I forget
6 his name.

7 Q How long has Ms. Finn been employed by ESS?

8 A Eight years, I think.

9 Q Do you happen to know who is in charge or responsible
10 for the books and records at Apps Advertising and Zipcode
11 Publications?

12 A I have never seen any books or records. I have seen a
13 checkbook that was always in Mr. Poddar's possession.
14 I don't think any books or records are kept.

15 Q Do you have any idea which bank is the depository for
16 the other organizations?

17 A They're in the same bank, I think. I'll get you the
18 name of that bank.

19 Q Okay, Mr. Brown, I have one last question so I hope you
20 will take it in the spirit which it's given; is there any
21 sort of vendetta that is the basis of your complaint
22 with the FEC based upon your termination with Washington
23 Watch?

24 A I don't think so. I am active in political circles and
25 I intend to stay active in political circles.

1 I have heard people sincerely committed
2 to causes say Shrikumar Poddar has swindled them or in
3 some way broken their faith and their trust. It's my
4 feeling that somebody at sometime should make him in
5 some way accountable for his actions, and I feel I am
6 the most logical person to do that.

7 Q What is your connection with Evelyn Kipper?

8 A I have worked with her in political groups. I have know
9 her about four or five years now. She's a close friend.

10 Q Now, is she how you got to work for ESS and Washington
11 Watch?

12 A Yes, she got a job there and I applied to the ESS mail-
13 room. I used her recommendation to get the job as busi-
14 ness manager.

15 Q What were her reasons for leaving -- the sex discrimina-
16 tion suit?

17 A Primarily.

18 Q Do you have knowledge of the outcome of that suit?

19 A That's still being investigated. She had several hearings
20 on it. I don't know exactly what progress they have
21 made.

22 She was also very disturbed during the
23 last few months when we discovered more and more things
24 we considered criminal activities. And particularly
25 because Mr. Poddar would never attach his name to the

1 documents which would implicate him.

2 Q What did you consider criminal activities?

3 A Well, for one thing campaign violations.

4 I helped him get postal rates for a non-
5 profit corporation with substantially reduced postal
6 rates, and I told him that the postal rate couldn't be
7 used for political candidates and campaigns, and that I
8 would be very upset if after I signed the documents that
9 in fact it was a non-profit corporation he turned around
10 and used it for gain, for political candidates.

11 Q Mr. Brown, who is Mark R. F-A-U-B-I-A-N?

12 A He's a reporter for the State News.

13 Q The State News, is that the newspaper of Michigan State
14 University?

15 A That's correct.

16 Q Is that only published during University time?

17 A That's correct.

18 Q And how did you get introduced to Mr. Faubian?

19 A I know alot of people in the Lansing area connected with
20 news media. After Mr. Poddar brought suit against me I
21 went down to Lansing to file some papers--- in answer to
22 the complaint and other papers, motions to dismiss and
23 I stopped into visit with some friends in the various
24 newspapers there.

25 They were curious as to what the suit

1 was about and so I talked to the editor of the State
2 News and apparently he assigned Mr. Faubian to follow
3 up on the story. And he called me when I was home in
4 Sault Ste. Marie and asked me some questions about what
5 was happening with Educational Subscription Service and
6 Mr. Poddar.

7 Q At that time you had just received an acknowledgment of
8 receipt of your complaint from the Federal Elections
9 Commission?

10 A No.

11 Q You had not received acknowledgment your complaint had
12 been received and we were going to act on it?

13 A I received a letter in December acknowledging that the
14 Federal Elections Commission had received my complaint.
15 After the suit I sent another letter and I asked how to
16 proceed, for advice on how to proceed, and didn't have
17 the letter in my possession at the time.

18 Q You didn't know at the time you spoke with Mr. Faubian
19 that all the Federal Elections Commission's investiga-
20 tions are confidential?

21 A No, I did not.

22 Q Now you do know they are confidential?

23 A Yes, I do.

24 Q Have you received notification from the Federal Elections
25 Commission that a complaint has been lodged against you

1 by Eugene McCarthy based on a confidentiality section of
2 that act?

3 A No, I have not received that yet.

4 Q Well, you will probably receive one shortly.

5 Let me just state for the record all
6 investigations by the Commission are confidential, the
7 reasons are obvious. Until we find whether or not there
8 is substance to an allegation, until the Commission
9 either closes the case via conciliation or votes probable
10 cause and initiates the suit against respondent then
11 that is confidential.

12 The fact of your suit with Washington
13 Watch is not within the confidentiality section. You
14 can talk about that, but as far as the Commission being
15 here today, and investigation, the deposition, and the
16 fact we are to speak with Ms. Kipper, this is to be kept
17 confidential.

18 A Okay.

19 Q So finally you're speaking to the State News was not
20 more or less in response to the suit which was filed by
21 Washington Watch against you?

22 A That's right, the suit charged that I had stolen docu-
23 ments pertaining to the books, contracts with Eugene
24 McCarthy, and I didn't want the newspapers to publish
25 that I stole books, contracts or reports with Eugene

1 McCarthy so I spoke with them in detail about what I
2 took, what Xerox copies I made, and what I did with them.

3 MS. VAN GELDER: I have no more questions.

4
5 (Deposition concluded).

6 -o0o-

7
8 STATE OF MICHIGAN)
9) SS
10 COUNTY OF CHIPPEWA)

11 I, CATHERINE H. RENNER, notary public
12 in and for Chippewa County, Michigan, do hereby certify that
13 I stenographically recorded the examination of BRUCE L. BROWN,
14 a witness in the foregoing matter; that prior to the taking
15 of said deposition, the said deponent was duly sworn to tell
16 the truth, the whole truth and nothing but the truth, and
17 that the foregoing deposition is a true and correct trans-
18 cript of the testimony of the said deponent.

19 I further certify that no request was
20 made that the foregoing deposition be submitted to the said
21 deponent for examination or correction by him or that he sign
22 the same.

23 *Catherine H. Renner*
24 CATHERINE H. RENNER,
25 Notary Public in and for Chippewa County,
 Michigan.
 My Commission Expires: 8-9-81.

Module C
1976
Federal Election Commission
1325 M Street, N.W.
Washington, D.C. 20545

Debts and Obligations for
Line Numbers 26 and/or 27 of FEC Form 3

Page 5 of 6 for
LINE NUMBER 27
(Use separate schedule(s) for each
numbered line)

(See Instructions on back)

Name of Candidate or Committee in full		Amount of Original Debt, Contract, Agreement, or Promise	Cumulative Payment To Date	Outstanding Balance (End of This Period)
Committee for a Constitutional Presidency				
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN	Date (month, day, year)	\$	\$	\$
Charles Tandy 102 Morris Drive Laurel, MD	8-24-76	100.	-0-	100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOANS	Date (month, day, year)	\$	\$	\$
Shrikumar Poddar 2601 Cochise Lane Okemos, MI 48864	9-2-76 + 9-15-76	20,000.	-0-	20,000.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND	Date (month, day, year)	\$	\$	\$
John + Susan Callahan 6234 SW Vermont Portland, OR 97219	3-76 thru 9-76	1,091.92	Converted to contribution by letter of 9-6-77	-0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN	Date (month, day, year)	\$	\$	\$
John J. Jachman 14390 Glastonbury Detroit, MI 48223	10-8-76	500.	Converted to contribution by letter of 9-12-77	-0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN	Date (month, day, year)	\$	\$	\$
Lester + Mary Jane Moore 4548 South Alameda Corpus Christi, TX 78412	10-15-76	1,000.	Converted to contribution by letter of 9-12-77	-0-
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN	Date (month, day, year)	\$	\$	\$
Elvera A. Johnson 2358 N. Mildred Ave. Chicago, IL 60657	10-22-76	100.	-0-	100.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN	Date (month, day, year)	\$	\$	\$
Albert + Sarah Driscoll 539 Fairmount Ave. St. Paul, MN 55105	11-29-76	500.	100.	400.
Full Name, mailing address and ZIP code, and nature of obligation: UNSECURED LOAN-IN-KIND	Date (month, day, year)	\$	\$	\$
Garnett Groh 130 Maria Ave. S. Connellsville, PA 15425	11-1-76	14,000.	-0-	14,000.
Subtotal this period (page 3, optional)		\$	\$	\$
Total this period (from page 3, line number only)		\$	\$	\$

Carry over to page 3, line 27, if applicable.

CLERK'S
OFFICE

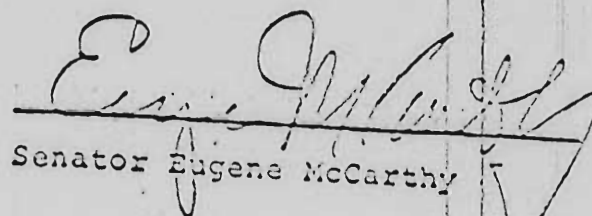
NOTE

October 6, 1976

Washington Watch, South Point Plaza, Lansing, Michigan,
43910 has loaned the undersigned, Senator Eugene McCarthy,
the sum of \$51,000.00 (Fifty One Thousand Dollars Only)
plus interest at 7 1/2 percent per annum and payable in one
year. The following dates and amounts are;

6-17-76	\$5,000.00
7-13-76	5,000.00
7-18-76	5,000.00
8-3-76	10,000.00
8-27-76	10,000.00
9-1-76	10,000.00
9-16-76	6,000.00

Signed:


Senator Eugene McCarthy

Date:

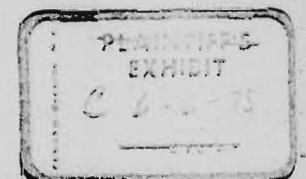
10/6/76

PLAINTIFFS
EXHIBIT

36-75
100

WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL
SEPT 1976

Date	Payee	Check #	Balance 19241.38	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
9 17	Post. (Bus. Reply Mail)	1661	18991.38		250.00	
9 17	Post. (Act Fee ")	1662	18966.38		25.00	
9 21	Post.	1663	18626.38		340.00	
9 16	Deposit 9-87			4800		
9 16	9-88			3600		
9 16	9-89			3900		
9 16	9-90			1500		
9 16	9-91			6000		
9 16	9-92			1500		
9 16	9-93		19239.48	45000		
8 27	Transfer E. McCarthy		92839.8		-10006.00	
9 01	"		132.02		10006.00	
9 16	"		6729.02		6006.00	
	Correction Line #20		5091.32	1633.70		
9 16	DEPOSIT		10000	600000		
9 21	" 9-94			93200		
9 21	"			450		
9 23	" 9-95			33000		
9 23	" 9-97			121050		
9 30	" 9-98			29950		
10 4	" 9-99		451148	82900		
9 21	POST 2NY CLASS	1663			34000	
9 27	THOMAS MECHLING	1664			901.30	
	VOID 1665					
9 27	JOY SLEE	1666			5757	
9 27	JOHN BOYLES	1667			80000	
	VOID 1668					
9 30	MICHA BELL	1669			11520	
9 30	DAN HINDS	1670	224704		5000	50
10 6	M. PODDAR - INTEREST	1671			184883	
10 7	STATE OF MICH FILING FEE	1672	38761		10	
					1968015	400

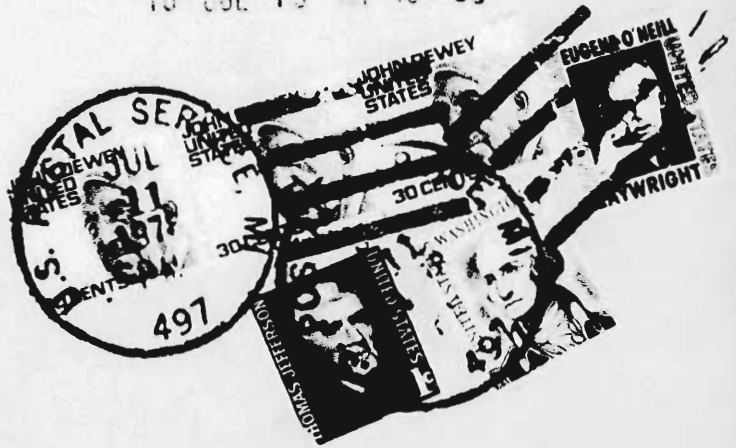


6-6-78

**PLAINTIFF'S
EXHIBIT**
E 1-4-78
**WASHINGTON WATCH
CASH DISBURSEMENTS JOURNAL**
AUGUST 1976
OCT 12 1976

Date	Source-Payee	Check #	Balance	Deposit	Cr. 103 Amount of Check	Dr. 110 Net Payroll
8 1	Brought Fwd		135126			
8 2	Deposit 7-72		1135136	1000000		
8 2	Eugene J McCarthy	1640	135136		1000000	
8 3	Deposit 7-73		135426	300		
8 4	Deposit 7-74		157926	22500		
8 4	Deposit 7-75		186126	22250		
8 5	Dan Hinds	1641	164613	21573	21573	215
8 5	Denise Burgess	1642	160310	14302	14302	143
8 9	Tom Meachling	1643	65310		95000	
8 9	Deposit 8-76		122260	56950		
8 9	John Boyles	1644	42260		80000	
8 10	Deposit 8-77		44870	2610		
8 10	Deposit 8-78		105070	60200		
8 11	Deposit 8-79		106470	1400		
8 19	Deposit 8-80		275000	168530		
8 19	D. Burgess (payroll)	1645	262205		12795	127
8 19	D. Hinds	1646	240632		21573	215
8 19	Post (2nd class)	1647	190632		500 00	
8 25	Deposit 8-81		108947	81685		
8 25	Zip Code Pub.	1648	24383		84564	
8 25	Deletion WIV subs	1649	16883		7500	
8 26	Post	1650	338617		355500	
8 27	Deposit		161383	500000		
8 30	Post Due Act.	1651	151383		10000	
9 1	Deposit 9-83		197823	46440		
9 2	D. Hinds	1652	176250		21573	215
9 2	D. Hinds (mileage)	1653	175275		975	
9 2	D. Burgess (mileage)	1654	173492		1783	
9 9	Deposit 9-82		281108	107626		
9 9	Deposit 9-84		318698	37590		
9 10	Post (2nd class)	1655	298698		200 00	
9 14	Deposit 9-85		392648	93950		
9 15	Deposit 9-86		992648	600000		
9 03	Deposit		1992648	1000000		
9 15	Tax Dep.	1656	1970768		21880	
9 15	Tax Dep	1657	1951182		19586	
9 16	D. Hinds	1658	1929609		21573	215
9 16	D. Hinds (mileage)	1659	1929138		471	
9 17	Post Due Act.	1660	1924138		5000	

78 JUL 13 AM 10:26



397508

MS. ELENA KING
FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

9 1 0 1 0 2 1 3 PM JUL 13 AM 10:26

RE: EUGENE McCARTHY, McCARTHY '76, COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 485 Deposition

Date Filmed 4/29/81 Camera No. --- 2

Cameraman APC