



Associated Press Photo

SEN. EDWARD KENNEDY receives an honorary Doctor of Laws degree in ceremony at Yeshiva University from board chairman Max Etra (l) and president Samuel Belkin.

Bare New '72 Vote Scandal —\$60M Bid to Hispanics

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By John S. Lang
N. Y. Post Correspondent

WASHINGTON — A group of White House and Nixon campaign aides calling themselves the "Brown Mafia" promised more than \$60 million in federal grants to Spanish-speaking individuals and organizations in 1972 in an attempt to win votes for the President's reelection.

A series of White House documents obtained by The Post shows that the group also:

Encouraged middle-level Nixon Administra-

tion officials to ignore Hatch Act restrictions on political activities, while at the same time trying to invoke the Hatch Act against a pro-McGovern aide.

Applied pressure on at least 10 federal departments and agencies to put "political impact" into the grant-making process.

Tried to cut off federal money for organization that would not line up in support of the President.

Promised or discussed a Presidential pardon for a popular Chicano leader,

Reies Tijerina, convicted of assault, and raised the possibility of undercover funds for a Chicano political party.

It could not be determined from the documents how much of the promised \$60 million actually was granted, but a check with the agencies involved showed that the White House did come through with a substantial portion.

It also could not be determined which of the promises and threats were ever discussed seriously at the very top levels of

the campaign and Administration. Nor is there any way of determining why some of the recommendations were not carried through.

But the memoranda, taken as a body, show the inner workings of one small segment of the reelection effort.

The key man in the "Brown Mafia" was William (Mo) Marumoto, a staff assistant to the President. While he worked for the White House, he was described as the highest-ranking

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Bare \$60M Bid to Hispanics in '72

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Asian-American in the Administration. In the fall of 1971 he was given charge of White House liaison with Spanish-speaking groups, working under the direct supervision of special counsel Charles W. Colson.

Marumoto reported to both Colson and Frederick W. Malek, a deputy director of the Committee to Reelect the President. Working under Marumoto's charge were Tony Rodriguez, his deputy; Alex Armendariz, in charge of the Spanish-speaking voters division of the CRP; and a series of lower-level workers both at the White House and the CRP.

Marumoto testified briefly before the Senate Watergate Committee on Nov. 7, but his testimony was largely overlooked because of the drop-off in interest in the hearings and the concern over developments elsewhere, such as the Watergate tapes and the House's move towards impeachment.

According to a CRP document, this was Marumoto's role:

¶ "To develop specific ideas for using grants, personnel appointments and programs to fill out any gaps in the President's record, e.g., appoint a Mexican-American to a regulatory commission.

¶ "To set up organizational procedures and contacts with the appropriate White House staff members and the Executive branch for accomplishing the above.

¶ "To use the departments' and agencies' public information offices to publicize favorable Administration activities in behalf of the Spanish-speaking.

¶ "To ensure that those federally subsidized programs which serve as havens for opposition political operatives are closely supervised so that

Robert Bazell, Clyde Haberman and James Norman assisted in the preparation of this material.

they are devoting all of their energies toward solving the problems of the Spanish-speaking poor (particularly in September and October)."

Marumoto, in his appearance before the Watergate committee, put his role a little differently. He testified then:

"We helped the Spanish-speaking people to know and understand the great variety of federal programs, how to qualify for them, and how to apply for them. In doing this work, we never compromised the principle of legitimacy, but we also did not compromise the right of opportunity for those who wanted to participate in government programs or contracts."

He denied, in his appearance, that he ever took part in "illegal or unethical activities or even engaged what could be called political dirty tricks."

Much of the work of the "Brown Mafia" was carried on through a series of middle and low-level White House aides, many of whom were attached to the White House Domestic Council to act as liaison with the various agencies and departments.

The council was established by an executive order in 1970. According to the current edition of the U. S. Government Manual, its role is to "formulate and coordinate domestic policy recommendations to the President."

A Watergate Committee summary of Marumoto's activities claims he either obtained or promised \$60,089,000 in federal money in 45 grants through nine departments or agencies. The summary listed the agencies and amounts as:

- ¶ Labor Dept., \$28,805,000.
- ¶ Transportation Dept., \$65 million.
- Dept. of Housing and Urban Development, \$11.15 million.
- ¶ Dept. of Health, Education and Welfare, \$70,000.

Office of Economic Opportunity, \$7,410,000.

Office of Minority Business Enterprise, \$2,759,000.

Urban Mass Transportation Administration, \$370,000.

Small Business Administration, \$1,483,000.

The summary said six grants, totalling \$1.64 million, could not be categorized.

In addition, the documents obtained by the Post show that pressure was also put on the Census Bureau and the Federal Deposit Insurance Corp.

Memos

Here are excerpts from some of the documents:

Marumoto wrote to Colson on March 17 that representatives of White House political aides Harry Dent and Clark MacGregor had "met with officials of OEO to discuss ways of improving coordination and more effective means of getting political impact in the grant-making process."

A memo to Colson on March 24 says that Rodriguez had met with the administrator of the Urban Mass Transportation Authority, Carlos Villarreal, "to set aside \$300,000 for one of our Spanish-speaking contractors." [It was impossible to track down such a grant.]

Marumoto sent another memo on April 17 saying that he was reviewing with three staff members of the White House Domestic Council—John Evans, Robert Brown and Wallace Henley—

"proposals and grants at OMBE [the Office of Minority Business Enterprise of the Commerce Dept.] to make sure the right people are being considered and receiving grants at OMBE."

Still another Marumoto advisory said: "R [for Rodriguez] met with Don Dunlap, SBA, to help him identify some of the 'good guys' applying for assistance in his shop."

On April 21, Marumoto wrote to Colson: "Rodriguez and I met with Don Dunlap at SBA re grants to the SS [Spanish-speaking] from his agency. He has already been most cooperative and helpful in assisting some of our SS friends."

In September, Marumoto wrote: "Rodriguez is working through Rob Davsion and Dave Wimer, DOL [Labor Dept.] in isolating through SBA two contracts for CPI Dallas. CPI is extremely cooperative and helpful. The contracts are for \$52,000 and \$85,000."

[Two firms in the Dallas telephone directory with the initials CPI deny receiving any federal money.]

On May 19, Marumoto wrote: "Rodriguez assisting Ultrasystems, Inc., Long Beach, Cal. with \$200,000 grant from OMBE. This organization strongly supports the Administration."

Marumoto wrote Colson on March 3 that two of his aides had met with Roy Batchelor at OEO "regarding a \$200,000 grant to a Spanish-speaking firm in California."

Committee Summary

In a Watergate committee summary, the firm was identified as Amex Civil Systems, headed by Emanuel Caldera. The summary said Caldera "was very active in the California reelection effort, and also, according to Marumoto, made contributions to that campaign."

[Records released by CRP do not list Caldera as a contributor.]

Amex Civil Systems comes up again in memoranda.

On July 26, Armendariz wrote from campaign headquarters to Nathan Bayer at the White House Domestic Council: "We have received the list of proposed grants to be funded listed in your July 24 memo. Two of those listed, that appear not to be funded at this time, are highly recommended by this office: Spanish Speaking Business Alliance, Los Angeles; Amex Civil Systems, Lawndale, Cal."

One month later, Bayer replied: "I trust that the \$600,000 SBA contract, announced Aug. 7 in Los Angeles by Bob Finch [former HEW secretary] to Amex Civil Systems will hold them until we can complete action on their OMBE proposal."

According to government records, Amex Civil Systems

received more than \$2.27 million in 11 federal contracts in the year that ended June 1, 1973. The firm contracted with the Office of Economic Opportunity, the Depts. of Transportation, Labor, and Health, Education and Welfare, the Army and the Space Administration in addition to the SBA. The contracts ranged from assessing the effect of government programs for the Spanish-speaking to reporting on transit systems and giving computer operations support to the space agency.

Sports on the Air

FOOTBALL—Giants-R

AM STATION

WABC	770	WM
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WBNX	1380	WNJR
WCBS	880	WNYC
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