

# VIEWPOINT

THE BATTALION  
TEXAS A&M UNIVERSITY

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## Interest groups waste our taxes

By DONALD LAMBRO

WASHINGTON — The government pours hundreds of millions of tax dollars into thousands of lobbying organizations, "public interest" law firms, associations and other special interest groups across the country.

Little is known about how these organizations and associations spend the money. They are rarely, if ever, examined by Congress even though the funds often are used to influence legislation and policy ranging from food stamps to the Equal Rights Amendment.

Many of these organizations are establishing tax-exempt spin-off groups — so-called educational and research foundations through which the funds are spent.

United Press International conducted a five-week investigation into this federally financed world of private groups and organizations.

UPI discovered:  
—Grants and contracts for low-priority or dubious projects and studies going to rich and influential organizations with multimillion dollar budgets.

—Political organizations such as the Americans for Democratic Action are recipients of federal funds.

—Law firms are among the biggest beneficiaries of these funds, in some cases spending the funds in behalf of the actual recipient group.

—The federally-paid staffs of tax exempt research groups often provide advice, data, and other support to the lobbying arms of the parent groups.

The extent to which this federal funding is supporting lobbying is not clear, but the evidence suggests that tax dollars often are indirectly supporting the lobbying programs of many special interest groups.

Federal law states that it is illegal for federal funds to be used "directly or indirectly" to influence a member of Congress in his legislative duties.

Among the biggest recipients of federal funding are the U.S. Conference of Mayors, which has a total budget of nearly \$3 billion; the National Governors Association (NGA), whose total budget is over \$3.5 billion; and the National League of Cities which receives over \$2.7 billion annually in government grants and contracts.

The Mayors got more than \$1.6 billion in federal funds during fiscal 1978; the NGA will get close to \$2 billion this year.

The Mayors' well-appointed suites cover five floors of a modern office building near the White House. They employ 95 persons requiring a yearly payroll of \$938,490 in addition to \$738,000 in overhead costs.

Spokesman Eugene Russell says federal contracts are performed by the tax exempt and federally supported Research and Education Foundation. Lobbying is handled by a separate staff paid out of dues from some 600 cities.

But executive director John Gunther says the organization's lobbyists — who have pushed legislation from ERA to more federal aid for the cities — frequently make use of the research staff.

"We do get a lot of information out of it which we use in our lobbying efforts," Gunther, the group's chief lobbyist, said. "It enlarges the capacity of the information

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we have at our disposal. Sometimes, he added, "The lobbying staff meets with the foundation experts" in the preparation of congressional testimony.

Here is a sampling of the contracts these organizations receive:

—\$75,000 to the National League of Cities for a film on urban conservation.

—\$90,000 to the Mayors to hold seminars on local financial management and other HUD-related topics.

—\$262,035 to the National Hispanic Coalition for Better Housing in part to provide "a channel for input from such groups to HUD." One knowledgeable Senate Appropriations Committee aide called this project "nothing more than thinly disguised lobbying."

Many of these groups are getting funding simultaneously from many different federal programs and agencies.

The Mayors are funded by at least 15 different departments and agencies, including HUD, HEW, Commerce, Labor, Transportation, the National Endowment for the Humanities, the State Department, and the National Science Foundation.

Sometimes, agencies and departments are unaware they are financing a project, service or report that is also being funded by another government unit. Thus, organizations looking for federal dollars can shop around for as much funding as they can find.

For example, six different federal departments and agencies financed a conference of 60 women organized by a nonprofit group known as Rural American Women, which also got money from the Democratic National Committee.

Each agency gave the group about \$5,000 and several expected to receive reports. HEW and the Environmental Protection Agency each received a copy of a 17-page report, most of which was about how to hold a conference. The Office of Minority Business Enterprise also spent \$6,000 to videotape the conference, plan-

ning to offer the tapes to women's groups.

The National Governors Association gets about \$1.6 million annually from the states, which in part pays for its nine Washington lobbyists, in addition to \$2 million in federal funding. The NGA Center for Policy Research receives the federal funds and shares offices in the NGA headquarters which houses 77 employees.

"There's no question that we are here to get more money for these programs (revenue sharing, block grants, etc.)," says spokesman Joseph McLaughlin. He says the federally-funded research is often "valuable to the governors as lobbyists" when they testify before Congress.

The organizations that get the grants say they are vital. Others disagree.

One official of a group that receives heavy federal funding said, "I happen to believe that a lot of it (grants and contracts) is a crock. We didn't build the system. The feds built it and we have to play the game. Otherwise we would be opting out to the other special interests."

Some contracts are geared to build interest group support for specific federal programs.

"If I had to reduce it to its baldest terms," one official said, "a number of the grants have been used by people in the federal agencies who want a program started and want the support of our organization."

The National Conference of State Legislatures, with offices in Denver and Washington, gets nearly \$1.4 million in federal funds, and an additional \$1.7 million from the states. It has 30 employees in Washington, where the lobbying operation is run, and 60 in Denver where most of their federal contract work is done.

Karl Kurtz, director of operations, said the two activities were kept totally separate, but added that "some of the rent here is charged to those grants."

A prominent Washington attorney whose career began in the public interest movement says, "The purpose of most of these groups is to influence legislation and public policy." He estimates public inter-

*A typical recipient, Midwest Academy, trains community activists. It was found to have issued training brochures urging VISTA workers, "Give people a taste of blood. Push your opponents so hard you can see them squirm."*

est and consumer groups alone receive about \$100 million a year in federal funds. "Their traditional sources of financing are drying up," he says, "so the only place left to look to is the government."

Some federal funding for these groups is coming from "public participation" grants. This program was set up to reimburse groups that cannot afford to present their views in a federal proceeding — such as a Federal Trade Commission hearing.

Only the FTC is specifically authorized by law to make such payments. But other agencies are doing it under a controversial Justice Department ruling suggesting that they have the same kind of authority.

An examination of groups given funds by the FTC — some have received more than \$100,000 — reveals that many are well off financially.

A lot of the public participation money goes to lawyers. Of \$1.8 million in FTC public participation funds, more than \$813,000 went for legal fees and costs, including travel and secretarial salaries.

Recipients of FTC payments include the liberal Americans for Democratic Action, Consumers Union, publisher of the successful consumer magazine, the Consumer Federation of America, one of the nation's largest consumer groups, and the National Consumer Law Center, which received close to \$500,000 in funds from the government's Legal Services agency in addition to funds from other federal programs.

ADA, a liberal, Democratic activist organization, is listed on FTC documents as the principal recipient of more than \$177,000 for participation in agency proceedings ranging from health spas to antacids.

ADA executive director Leon Shull says, "Not one penny of that money came to the ADA national office," but instead was channeled through the ADA's Consumer Affairs Committee, run by Ann Brown, an ADA national board member who runs the committee out of her home.

Her committee receives little of the money, either. The group's presentations are handled by a lawyer who receives and spends virtually all of the funds. The attorney is Bruce Terris, whose public interest law firm employs nine lawyers. Terris said the views he presented to the FTC hearings reflected the views of the national ADA but it could reject any consumer position he took.

There is hardly a department or agency in the government that is not giving money to some outside organization.

Recipients of \$33.2 million in yearly grants made by the International Communications Agency, the former U.S. Information Agency, include the American Bar Association, the American Political Science Association, the National 4-H Council, the YMCA, and the U.S. Lawn Tennis Association.

These grants include an exchange program for Latin American theatre critics, symposiums for South American journalists, as well as world travel for young American political leaders, business executives and athletic directors.

Slouch

by Jim Earle



## Iran — fewer nuts

By DICK WEST

WASHINGTON — As if the oil scramble brought about by Middle Eastern turmoil weren't bad enough, now comes word that cutbacks in Iranian exports are creating a shortage of pistachio nuts.

According to the National Geographic Society, the United States depends on Iran for the major part of the 25 million pounds of pistachios we import each year.

Already, the Geographic reports, America is feeling a pistachio pinch. Unless the political situation in Iran stabilizes soon, pistachios surely will become even more scarce, with a price tag that will add 47 points to the Cost of Munching Index.

Is pistachio rationing down the road? That was the question I began putting to administration officials after reading the Geographic's disturbing analysis of the supply situation.

President Carter, I was assured, is keeping close tabs on the crisis. He regards pistachios as "the moral equivalent of cheese dip," one source said.

It is, however, his intention to rely on voluntary restraints in coping with the crunch. Should standby controls be proposed, they likely will stop short of rationing.

One possibility under consideration is a mandatory switch to unshelled nuts.

Last year, Americans consumed 8,991 metric tons of preshelled pistachios as against only 148 metric tons they had to shell for themselves.

Experts estimate that if only unshelled pistachios were available, the rate of consumption would be slowed down by as much as 123 percent, thereby making existing supplies last that much longer.

Another step might be to develop new pistachio substitutes.

Bear in mind that the shortage is being felt most keenly by beer drinkers. As pistachios gradually disappear from tavern counters and tables, beer drinkers are obliged to move from bar to bar to satisfy their craving for munchies.

This country has abundant supplies of peanuts, popcorn and little orange-colored, plastic-looking, nibble-size objects vaguely flavored of cheese.

If beer drinkers switched to these alternate sources of munchies, it would ease the pressure on pistachio prices and leave American less dependent on Iranian imports. But much more research is needed to make the substitutes acceptable.

A third remedial measure being discussed at the White House involves stepped-up domestic pistachio production, which now totals about 13 million pounds annually.

It would, however, take at least four years for America to become pistachio self-sufficient. Meanwhile, the administration may be forced to issue voluntary guidelines under which beer drinkers would limit consumption to seven nuts per bottle.

## Letters to the Editor

### Buses: no warning

Editor:

On April 24, a close friend of ours was injured when getting off the shuttle bus at our apartments. She is now in traction for a term of six to eight weeks.

While the bus was stopped and the students were unloading, a motorcyclist failed to yield to the students crossing the street. We have observed other close calls such as this one.

We feel that if the necessary precautions had been taken this incident might not have occurred. To prevent similar accidents, we suggest:

A. The installation of flashing lights to alert motorists that students will be unloading.

B. A warning sign to be placed on the rear of the bus.

C. Adequate enforcement of the law protecting pedestrians if such a law exists.

Aggies, your concern about this matter might prevent another accident like the one witnessed Tuesday.

—Debbie McDonald, '82

Editor's note: This letter was accompanied by four other signatures.

### Hopping mad

Editor:

In reference to the recent Corps Quad-Hop given by the Freshman Council of Spence Hall on Friday, April 20, 1979:

Hats off to the girls and to their efforts to provide a viable service to the Corps. From the feedback that I have received, a good time was had by the majority of those who attended.

The success of the venture was due to the outstanding organization by the girls, who somehow overlooked the fact there were probably going to be debts to be paid at the end of the evening, as there were.

Among these debts was the cost of entertainment, an item that certainly can't be considered as going for free when it is a well-known fact that good entertainment is hard to find in Bryan-College Station. It

probably will remain unpaid for.

But, despite all this, the Quad-Hop provided a fun time for most of those present. It might be considered, however, that enrollment in some summer courses of business administration would insure an enjoyable time for all who attend future functions held by this fine women's organization that graces the home of the Corps of Cadets.

—Bill Price, '82

Editor's note: Bill Price furnished the sound system and played records for the quad-hop. Liz Campbell, president of Spence Hall, said that the council's understanding with Price was that he would not be paid unless the council made a profit, which it did not.

### Arabs massacred

Editor:

In presenting "correct facts," Mr. Nahir (The Battalion, April 24) talks about Palestinian movement in Israel. It is common knowledge that Palestinians have been deprived of their rights in their own homeland for over three decades. They have been systematically massacred, made homeless and humiliated since the formation of the state of Israel. It is in American news media that I read about the systematic torture of Palestinians in Israeli jails. I am talking about the "innocent citizens" and not the PLO. One can appreciate peace only when it is practiced, but not selectively.

—W.E.K. Warsi

### Correction

A typographical error in Mr. Maher Awwad's letter to the editor (The Battalion, April 26) concerning the Middle East crisis resulted in a sentence that read, "He seems to forget the excessive cruelty with which Israeli forces broke down Palestinian protests in the occupied territories, in which tens of thousands of unarmed civilians were shot to death in cold blood."

The sentence should have read "tens of unarmed civilians."

The Battalion regrets the error.

## TOP OF THE NEWS

### CAMPUS

#### Vets announce open horse show

The Texas A&M University Veterinary Medicine Class of 1981 is sponsoring an open horse show Sunday at 9 a.m. at the Brazos County Livestock Pavilion on Tabor Road in Bryan. The show will include English, halter, western and jumping classes of competition. More information can be obtained by calling Kent Daniels at 846-0338.

### STATE

#### Summer camp positions open

The San Jacinto Girl Scout Council is looking for students to work as counselors during the summer at one of the four summer camps. Positions available include food specialists, nurses, assistant cooks, program assistants and workers on the waterfront staff. Anyone interested may contact San Jacinto Girl Scouts at 1902 Commonwealth, Houston, Texas or call toll-free 1-800-392-4340.

### NATION

#### Water projects halted by law

According to the General Accounting Office in Washington, construction of 49 water projects nationwide at a total cost of \$615 million has been delayed or stopped because of a 1970 law requiring states to guarantee full payment of their share of costs. Lloyd Bentsen, D-Texas, said the threatened projects include the deepening of the Gulf Intracoastal Waterway, which stretches 1,100 miles from Florida to the Mexican border with Texas, and the Garza-Little Elm Lake, Texas. "The problem is that 35 states, including Texas, cannot sign such contracts because their constitutions prohibit them from obligating future state appropriations," Bentsen said in releasing the report.

#### Space shuttle behind schedule

Work on the space shuttle Columbia is running about a month behind schedule, Kennedy Space Center officials said Wednesday at the 16th Space Congress in Cocoa Beach, Fla. The space shuttle's maiden flight is set for Nov. 9, but few officials wanted to be pinned down Wednesday on whether the shuttle would actually be completed in time for a November launch. Dr. Robert Gray, space transportation systems manager at Kennedy, said the shuttle was behind because of the installation of thousands of tiles to protect the shuttle from the heat of re-entry.

#### Wayne released from hospital

John Wayne is home in Newport Beach, Calif., following hospital treatment for a bronchial condition, but the Duke had some hard words for reporters who sneaked around bribing hospital officials during his week-long stay. "I haven't lied to the press, but they will not take our reports as truthful. They sneak around trying to bribe people to say something that won't coincide with the official report. I don't know why it is necessary, but I guess that is modern-day news. It used to be considered yellow journalism." Wayne had been expected to stay at Hoag Memorial Hospital until the weekend, but was released instead Wednesday morning.

#### Social Security benefits to go up

The nation's 35 million Social Security recipients will get a 9.9 percent increase in their benefit checks beginning in July because of inflation, a spokesman for the Social Security Administration announced Thursday. Increases in Social Security benefits are tied by a congressional formula to increases in consumer prices, which have been going up steadily for the past year. The Labor Department said Thursday prices went up 1 percent in March. A spokesman for the Social Security Administration said the July increase will mean the average monthly benefit will rise from a current \$258 to \$283. For people 65 and over and receiving the maximum monthly benefit, the spokesman said, the monthly benefits will increase from \$503.40 to \$553.30. Last July, the nation's 35 million Social Security recipients received a 6.5 percent boost in their benefits to compensate for inflation.

#### Doctors to discuss infant deaths

The National Center for Disease Control (CDC) in Atlanta assembled a panel of experts Thursday to review the results of an investigation into the sudden deaths of four Tennessee infants 24 hours after they received routine vaccinations against childhood diseases. The day-long meeting at the CDC Thursday will be devoted mainly to a discussion of information collected by public health authorities since the Tennessee infant deaths were reported by state health officials last month. The infants died after being vaccinated against diphtheria, tetanus and whooping cough with a vaccine manufactured by Wyeth Laboratories of Philadelphia. The vaccine was traced to one lot and was recalled by the drug company immediately after the Tennessee fatalities were reported to the CDC. Federal health authorities said it was acting "out of an abundance of caution" in recalling the vaccine and that no cause-and-effect relationship had been established between the vaccine and the of sudden deaths. Four of the children died within 24 hours of receiving the inoculation, according to CDC and Tennessee health officials.

## WEATHER

Fair to partly cloudy and windy. Winds N.N.E. at 15-20 mph. High today 80 and a low of 60.

## THE BATTALION

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