FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

February 12, 1976

MEMORANDUM TO THE FILE

FROM: DREW MCKAY GAM

SUBJECT: CA-033-75

The report of AID on this compliance action was signed by Chairman Curtis as a mark of his approval of the report; however, he was not present at the Tuesday, February 10th Commission meeting to record his vote. The vote, therefore, was 5 to 0 to terminate the case. During the Commission meeting of February 12, Mr. Curtis so advised the entire Commission.

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AMERICAN REVOLUTION BICENTENNIAL 1776-1976

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of	)	
	)	CA-033-75
Monsanto Corporation	)	

COMMISSION ACTION

The Federal Election Commission has reviewed the matter concerning the Monsanto Corporation, and has concluded that it does not warrant further action at this time in view of the fact that allegations were based on unverified newspaper articles which have not been substantiated. The Federal Election Commission has accordingly voted, 5-0, to terminate the case.

Thomas B. Curtis
Chairman

Thomas Harris
Commissioner

Neil Staebler
Vice Chairman

Vernon Thomson
Commissioner

Joan Aikens
Commissioner

Robert Tiernan
Commissioner

DATE: February 10, 1976

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BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of	)	
	)	CA-033-75
Monsanto Corporation	)	

STAFF REPORT

A. Allegation

News articles in the St. Louis Dispatch dated August 24, 1975, and The New York Times dated August 25, 1975, alleged that lobbyists for the Monsanto Corporation channeled more than one million dollars to candidates through an employee payroll deduction that some employees say is not voluntary.

B. Report

On September 23, 1975, Michael Hershman, Assistant Chief, AID, contacted an investigative reporter from the St. Louis Dispatch, who was co-author of the article dated August 24, 1975, which alleged campaign funding improprieties on the part of Monsanto executives. Mr. Hershman told the reporter we would welcome an opportunity to discuss the allegation with his "confidential sources", and that an FEC investigation would be difficult, if not impossible, without the sources' cooperation. The reporter expressed a doubt that the sources would be willing to come forward, but that he would speak with them and call back. The reporter never contacted AID.

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C. Recommendation

In our view, a successful investigation would be extremely difficult without cooperation from the newspaper's sources, whose identities are not otherwise known to us. Therefore, it is recommended the case be closed.

Orlando B. Potter
Staff Director

John G. Murphy, Jr.
General Counsel

DATE: 2/1/76

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the American Hardw...
factures Association, M...
will go to Milwaukee for the closing session of a regional White House conference on energy and the economy.

MONSANTO PAYROLL LINKED TO POLITICS

ST. LOUIS, Aug. 23 (UPI)—Employes of the Monsanto Corporation have contributed more than $1-million to politicians since 1968 in a payroll deduction program that some employees say is not voluntary, the St. Louis Post-Dispatch reported Saturday night.

The newspaper said some of the 21 Monsanto executives willing to tak about the contribution plan said it was not voluntary and that they had been "coerced" or "pressured" ino putting money into the plan. Some said they had been told future promotions depended on their taking part in the plan.

"Each month the company deducts an agreed amount from each executive's pay and deposits it in a special, individual checking account opened with the company's help at Boatmen's National Bank in St. Louis," the report said.

John W. Hanley, president of the company, said he was angered to hear some employes had been subjected to arm twisting to join the political plan, but repeatedly emphasized that employes should 'get involved in politics," The Post-Dispatch said.

FRESH AIR FUND=CHILDREN

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Hamptons Are Newest Stop on Campaign Trail

N.Y.T. 8/25/75

By GEORGE VECSEY

Special to The New York Times

EAST HAMPTON, L.I., Aug. 24 — Late August in the Hamptons: A full moon, fresh corn and tomatoes. And in every sand dune or at every private party, somebody is running for public office.

They don't just come to the Hamptons for the salt air any more. The Hamptons are becoming as important to politicians as kissing babies, trudging the snowy streets of New Hampshire or buying a few counties in West Virginia.

This weekend, a couple of Hamptons apart, an oil millionaire from Texas was throwing a fund-raiser for Senator James L. Buckley of New York while the wife of a Greek businessman was throwing a fund-raiser for Senator Lloyd M. Bentsen of Texas.

Also this weekend, there was a non-fund-raiser where former Senator Eugene McCarthy had a chance to explain to friends in Sagaponack why he was thinking of running for President again. And Governor Carey was running the state from his summer home on Shelter Island, which is not — emphatically not—a Hampton.

Also-Runs

Also running, but in a different way, are John V. and Mary Lindsay, who can occasionally be seen, trim and healthy, sprinting along the sand near Wainscott.

Next Friday, people in East Hampton will pay $25 a person to meet Representative Bella S. Abzug.

"The Hamptons are becoming more and more important," said Mrs. Abzug, who hopes to run against Senator Buckley next year. "It's a big affluent area—a lot of people from New York are out here. The summertime is a good time to relax and contemplate. But people are still involved in the same things."

People still recall how Mrs. Abzug commanded sunbathers to "get off your back and meet Mary Anne Krupsak" when Mrs. Krupsak was running for Lieutenant Governor here last summer. And waitresses asked Mrs. Abzug "when are you running for President?" when she dined in a Montauk seafood house recently.

Multi-Party System

The politician testing the political waters might meet more people at Coney Island or Jones Beach—but not more money. Every summer, the Hamptons are becoming solidified as the playground of the country's rich, as even the wealthiest old families and successful professionals seem to pass up international vacations to party on the last 30 miles of Long Island.

Restaurants are jammed, motel rooms are impossible to rent on weekends and the "poddies" (local pronunciation of ((party") run from breakfast to lunch to dinner and back to breakfast. People somehow manage to acquire deep suntans but usually to the accompaniment of shop talk, gossip or a few intellectual forays.

Inevitably, the East End is acquiring its own political legends. Senator Buckley recalled how his first major acceptance from Republicans had come in Shelter Island and Southampton in 1970, and how Suffolk County gave him a plurality of 73,000 votes later that year.

Up for re-election next year, the Senator returned to the site of his first major fund raiser in 1970, an estate called "Linden," on Oxpasture Road, owned by Lloyd Smith of Houston and Southampton.

Mr. Smith, who describes himself as "the last of the independent oil men," spends the four warmest months at his 35-room estate which has a small windmill among his acres of manicured lawns, hedges and flower gardens. He provided a yellow and white awning, waitresses and cream-cheese sandwiches and an unobtrusive electric organ for the invited Suffolk politicians, society figures and friends of the Smiths.

Senator Buckley and his wife chatted with guests about summer vacations and other nice subjects. Then, to let everybody know where he stood, he gave a brief talk.

"Government is the enemy — Government is necessary, but it must be kept at bay," was one of his statements.

More than one person standing on the lawn said, "Isn't he divine?"

After the speech came the commercial from Clifton White, the campaign manager, who had vowed: "I'm not going to let this talent go to waste. I'll make it clear to them how they can contribute."

Along with the printed invitations went pledge cards for donations up to $1,000—the maximum contribution under new laws. The Senator's brother, William F., gracefully informed admirers that no such limitations obtained on contributions to his magazine, The National Review.

Meanwhile, in East Hampton, another group of suntans assembled at the home of Anastassios and Elizabeth Fondaras. Mrs. Fondaras and B.A. Bentsen, wife of the Senator, had been friends when they were both single and living in New York.

Talk of the Town

Although a Republican, Mrs. Fondaras said she was "delighted" to throw the fund-raiser for the Democrat from Texas, who is running for President.

The talk in East Hampton was often about the annual softball game between the artists and the writers, held earlier in the afternoon. (The writers won, but nobody seemed to remember the score.) The people talked about the memorable infield of Clifford Irving at third base and Gene McCarthy at first.

There were fewer neckties and formal dresses than at the Buckley party, but more recognizable personalities, such as Budd Schulberg, James Jones, Betty Friedan, Max Lerner, Dina Merrill, Cliff Robertson, Joseph Kraft and Dorothy Schiff, along with diplomats, business people and other long-time Hamptons habitués.

Mrs. Bentsen, who had spent summers in the Hamptons in her single days, was treated to a description of the Hamptons from George Washburn, a resident: "The surf in Australia is too rough; there is not enough surf at the Côte d'Azur. but it's perfect here." Mrs. Bentsen said she agreed.

No Answer

The Bentsens had flown from St. Louis and were leaving in the morning for Oklahoma. The Senator definitely had running for President on his mind. When he was introduced, he told the New Yorkers he was against busing for integration but favored equalized state aid for school districts. He also favors work programs for healthy welfare recipients.

Several people asked questions of the Senator and one young man later said: "You didn't answer my question." But the mood remained festive as in all Hampton parties. At the end, one woman in the crowd said, "Senator, if we were old enough to vote, we'd all vote for you."

Betsy Luessenhop of McLean, Va., who is vacationing in the Hamptons, said she enjoyed seeing the Senator up close.

"Coming from Washington, I'm interested in politics," she said. "I'm looking for somebody with new ideas. There must be somebody besides Teddy and Hubert. This is a good chance to hear somebody else."

Senator Bentsen said he agreed. And as the people disappeared for a late evening of dinner parties and crowded restaurants, they could rest assured that this Friday, Representative Abzug would bring a little more political intensity to this quiet vacation spot out

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The newspaper said some of the 21 Monsanto executives willing to tak about the contribution plan said it was not voluntary and that they had been "coerced" or "pressured" into putting money into the plan. Some said they had been told future promotions depended on their taking part in the plan.

"Each month the company deducts an agreed amount from each executive's pay and deposits it in a special, individual checking account opened with the company's help at Boatmen's National Bank in St. Louis," the report said.

John W. Hanley, president of the company, said he was angered to hear some employes had been subjected to arm twisting to join the political plan, but repeatedly emphasized that employes "should 'get involved in politics,'" The Post-Dispatch said.

FRESH AIR FUND=CHILDREN

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GOP, From A1

most of the Dixie chairmen this weekend.

Clarke Reed of Mississippi, head of the state chairmen's association and a self-proclaimed neutral in the prospective Reagan-Ford clash, said, "There's a lot stronger Ford sentiment than I had thought. They're thinking Reagan is a little late getting into it and Ford is beginning to look like a winner. People are more inclined to accept the inevitable — but that only makes them more worried about Rockefeller being on the ticket in the general election."

Ford backers, led by Howard H. (Bo) Callaway, head of the President's campaign committee, pronounced themselves "enormously satisfied" by the weekend discussion. There were authoritative reports that Callaway had come away from the talks with promises of public endorsements for the President from four of the Southern state chairmen and private commitments from at least as many more.

Callaway, it was learned, won agreement from several of the pro-Ford chairmen that they would call Reagan this week and urge him to withhold his candidacy on the grounds that it would divide the GOP and increase the [illegible]er of a conservative third-party movement in the general election.

Individual chairmen, in talking to reporters, were reluctant to confirm those commitments to Mr. Ford, but their remarks were consistent in saying that the President's fortunes appeared to be on the upswing.

Bill Taylor, Republican chairman in Florida, which will hold the first of the Southern presidential primaries next March, said, "As of now, a Ford-Reagan race might be a tossup, but when the organization work that is planned has been done for the President, I don't think it will be too tough for him to win it."

Ray Hutchison, Texas Republican chairman, said, "My hunch is that Mr. Ford could win it. He's certainly in better shape than he was." Texas, like Florida, has a presidential primary next spring and is regarded as a key state for Reagan's hopes.

Even in Deep South states, where conservative sentiment is strongest, the chairmen say the tide has shifted in Mr. Ford's favor. Edgar Welden, Alabama chairman, said, "Reagan would have won easily last spring, but now I'd judge it would be close, mighty close."

Mack Mattingly, Georgia chairman, said, "Reagan would have beat hell out of Ford six months ago," but now it's much more of a race."

SEN. PAUL LAXALT
... "time for a decision"

CLARKE REED
... neutral Southerner

Factors repeatedly cited as sources of Mr. Ford's new support were his vetoes of spending bills passed by the Democratice Congress, his firmness in the Mayaguez incident and his overall support for national defense. Some chairmen also mentioned Mr. Ford's antibusing statements.

On the negative side, there were some complaints about Secretary of State Henry A. Kissinger and the policy of detente. But the most talked-about topic, by far, was Betty Ford's recent comment on premarital sex and marijuana.

Dortch Oldham, Tennessee Republican chairman, said her remarks were "the worst thing since the pardon" of former President Nixon for the Ford cause. Many of the Southern chairmen reported there had been waves of sermons and critical newspaper editorials in their states. North Carolina newspapers this weekend were publicizing a minister's sermon titled, "Betty Ford vs. the Bible."

Laxalt said after his talks with the chairmen that he and Sears would tell Reagan that at least as far as the South is concerned, "this thing certainly isn't locked up." He said that even those chairmen who are leaning to Mr. Ford were being cooperative in furnishing names of Reagan supporters in their states, and noted that "the delegates will be decided in the primaries."

Sears said the past month's work by the exploratory committee also showed there was sufficient financial backing for Reagan to make the race. He said more than $200,000 had been raised since July 15 and that a test mailing to a list of 13,-

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600 conservative contributors had drawn an unusually high response—a 15 per cent return with an average contribution of about $20.

"We have everything we need except a candidate," Laxalt said, "and I'm sure we'll have that soon."

Nonetheless, it was Callaway's arguments on behalf of Mr. Ford that appeared to be most persuasive to the party chairmen this weekend.

As summarized by one participant in the talks, the President's campaign chairman was making essentially this pitch to the Southerners:

1. Like it or not, Ford will be the nominee. There is no way Reagan can win enough delegates in the primaries across the country to deny the President the nomination.

2. A major nomination fight would split the Republican Party and could pave the way for a serious third-party threat in the general election.

3. The way to influence Ford on the platform and the choice of his running mate is to be with him, not against him.

4. There are no serious philosophical differences between Regan and Ford. Both are essentially conservative.

5. As for Rockefeller, his selection as Vice President was dictated by the post-Watergate circumstances and the President cannot repudiate his won choice just a year after it was made.

Callaway argued that the President has already moved from a position of total commitment to Rockefeller in 1976 to a position of saying the choice will be made by the convention.

appeared that Rockefeller would be, as most of them believe, a serious drag on the ticket.

He encouraged the Southerners to believe that Mr. Ford would pick his strongest running mate, no matter who that is, rather than insisting on Rockefeller if it

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Rockefeller to Woo South Carolina GOP

COLUMBIA, S.C., Aug. 24 (UPI)—Vice President Rockefeller will visit South Carolina's capital city Wednesday to try to convince local Republicans they should support him for Vice President in 1976.

South Carolina Republican officials have planned a schedule for Rockefeller that will give him maximum media exposure, and a crack at making a personal sales pitch to the GOP hierarchy here.

The schedule calls for Rockefeller to fly in Wednesday after a similar trip to Alabama. He will attend a nonpartisan luncheon with state and congressional officials, including Gov. James B. Edwards, who has supported Ronald Reagan on the national scene for years.

Monsanto Lobbyists Direct Political Fund

By WILLIAM FREIVOGEL
and LOUIS J. ROSE
Of the Post-Dispatch Staff

Monsanto Company's lobbyists have channeled thousands of dollars to favored politicians through an "employe voluntary political contributions plan," which at least a few employes say is not voluntary.

More than $1,000,000 has been deducted from the salaries of the 1800 executives in the political program since it was started in 1968, Post-Dispatch computations indicated.

Each month the company deducts an agreed on amount from each executive's pay and deposits it for him in a special, individual checking account opened with the company's help at Boatmen's National Bank in St. Louis.

A few of the 21 Monsanto executives who were willing to talk about the plan have told the Post-Dispatch that they were "coerced" and "pressured" into joining the plan. At least 20 other Monsanto executives reached by reporters refused to discuss any aspect of the program.

One said he was told flat out by his boss that the plan was "not voluntary."

Another said his supervisor told him to consider the plan as "part of employment" if he "wanted to get back on the promotions list."

Another said that he refused to join and after that did not get promoted.

Others, who at first did not join, received follow-up letters urging them to reconsider. Each such letter came from an executive higher up the corporate ladder than the previous one.

All the dissenting executives asked that their names not be used for fear that they would be fired or their promotions blocked.

John W. Hanley, president of the company, said he was surprised and angered to hear that some employes had been subjected to arm twisting.

He said he had conducted his own survey of middle executives shortly after coming to Monsanto in 1972 and had been told that there was no coercion. Some of the executives to whom the Post-Dispatch talked said they also had joined of their own volition.

Hanley said that an investigation of the program that he ordered in 1973 had concluded that some elements of the program were no longer appropriate under new federal laws governing campaign contributions.

For that reason, he says, a new plan is being developed and will be put into effect this fall.

Hanley said it was "dead wrong" for an executive to be told that he had to join the program but he said he did not object to follow-up letters being sent to executives who balked at joining.

"You and I do that kind of thing all of the time when we're soliciting for the United Fund," he said. Hanley repeated again and again that he thought it was essential for executives to "get involved in politics."

Executives, once in the contributions plan, received telephone calls from Monsanto's lobbyists here, in Washington, D.C., and in the South.

The lobbyists suggested the names of candidates to whom the executives were encouraged to contribute, and the precise dollar amounts of the contributions.

Until at least 1970, the company's Washington lobbyist was able to see if a particular executive acted on the company suggestion because Boatmen's sent him each executive's bank statement before the executive received it. After the statements were perused, they were sent on to the executives at their offices.

The political candidates suggested by the lobbyists have ranged from a sheriff in a Southern town to the President of the United States. What the candidates all have in common, the company's lobbyists say, is their conservative, pro-business policies.

Often the candidates suggested by the lobbyists have been out-of-state politicians whom the St. Louis-based executives making the contributions never had heard of.

Executives said that they nonetheless gave to these candidates—most of whom were from parts of the country where Monsanto had plants—in order to be considered "part of the corporate team."

The Monsanto lobbyists soliciting the contributions often delivered them personally to the candidates after gathering the checks from the executives.

Federal and state laws prohibit corporate campaign contributions to candidates. But there are legal ways that companies can make their influence felt on candidate fund-raising.

Federal law permits corporations to set up and solicit contributions for a "separate, segregated fund" as long as

John W. Hanley

Edwin J. Putzell Jr.

money contributed from the fund is not secured by threats of "job discrimination" and as long as contributing to it is not a "condition of employment."

The new Missouri law, which has been in effect since the first of this year has virtually the same provision. But the old state law was more general.

It made it illegal for a corporation "by or through any of its officers" to "influence or attempt to influence the result of any election . . . by the use of money belonging to such corporation or by subscribing any money to any campaign fund of any party or person. . . ."

Federal and state authorities withheld comment on the legality of the Monsanto plan until they could study it.

Hanley said that his investigation had not turned up the fact that executives' bank accounts were monitored by company lobbyists. Nor had he been aware

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FROM PAGE ONE

of the broad nature of the telephone solicitations, he said.

The men who conducted the investigation, he said, were Edwin J. Putzell Jr., vice president and general counsel, and Sam Pickard, the company's Washington lobbyist, who was in charge of the political contributions plan. plan.

Putzell, like Hanley, said he had not been aware of the telephone solicitations or the handling of the bank statements.

Pickard was the man who looked at the bank statements and made many of the telephone solicitations. He said that both practices were discontinued because they "just didn't seem appropriate any more. There was a general discomfiture. Everyone was disillusioned with politics."

Neither Pickard nor Putzell made any mention of the investigation that Hanley said they had been ordered to make or of the new program that Hanley said they were formulating.

Although Pickard said that the phone solicitations had stopped early in 1974, executives told of receiving calls through the last general election in the fall of 1974.

This is how the plan has worked:

When a Monsanto employe reached the $20,000-a-year salary level, making him an executive, he was handed a packet of information about the plan, often in a closed door meeting with his boss.

The packet contained a letter from Charles H. Sommer, chairman of the board, urging the employe to join, an explanatory brochure about the program, bank forms for opening a checking account and payroll deduction forms.

The Sommer letter stated, "the company is enthusiastically endorsing" the contributions plan ". . . certainly no cause can be more imporetant than support of out American way of life and the basic principles that undergird our business and economic system."

The letter concluded, "I know that you will enthusiastically support this program and . . . exercise one of your fundamental duties and privileges of citizenship."

Sommer, when interviewed Saturday, said his feelings about the plan had not changed since the letter. But he said he, too, had not known about the telephone solicitations or the handling of the bank accounts.

He said he had not learned about the bank accounts before Friday when Hanley spoke to him after an interview by the Post-Dispatch with Hanley. Sommer said he nevertheless saw nothing wrong with the way the accounts were handled.

Both Sommer's letter and the explanatory pamphlet described the plan as voluntary. The pamphlet had some questions and answers, one of which was, "Do I have to contribute?"

The answer given was "No. But it is hoped that you will want to because the future of our country and, indeed, of our way of life depends on the proper functioning of our political processes."

The pamphlet suggested as a guideline that an executive authorize the deduction of half of one per cent of his salary. Or, if he preferred, the executive could make a single payment into his Boatmen's account each year and bypass the payroll deduction system.

All the executive had to do to join the plan was to sign his name on two dotted lines — on the payroll deduction card and the bank account card. The bank account was opened for him at Boatmen's and his monthly deduction deposited there without his ever walking in the bank's front door.

The majority of the 21 Monsanto executives interviewed said that they joined the plan to make sure they were considered part of the "corporate team." Many described their thinking this way:

You are called into your boss's office and told you have just become an executive; that being an executive has its responsibilities, and that one of them is to make political contributions.

You read Sommer's letter 'enthusiastically endorsing' the program and saying how important it is to the American way of life.

You think about how important it is at Monsanto to be a team player.

You join.

After executives joined, the phone calls started coming at irregular intervals. They came from Pickard in Washington, from L. Edward Stone Jr., a former Republican state Senator whose office is at the company's headquarters, 800 North Lindbergh Boulevard, and from Whit King, a company lobbyist in Alabama.

Pickard advised mostly on national races, Stone on local and state ones and King on races in the South. Stone said he worked under Pickard's direction. He said he had been responsible for soliciting funds for candidates in Missouri.

The lobbyists never demanded that an employe give to a particular candidate; the approach, executives said, was more "would you be willing to give?" or "if you would give to so and so it would be appreciated."

If an executive said No, the lobbyists would often come back with another suggestion.

The lobbyists described this procedure for raising funds for candidates: First they would determine which candidates "supported the free enterprise system" and therefore deserved support.

Then Pickard would set a specific dollar goal to raise for each candidate. Stone and King would be given amounts to raise in their sections of the company. Stone in the St. Louis area and King from the eight Southern states where Monsanto has plants.

The practice of suggesting a particular dollar amount for an executive to give to a candidate was an outgrowth of this effort to reach an overall dollar goal, the lobbyists said.

The lobbyists concentrated their telephone solicitations in the section of the company most likely to be affected by the candidate's positions. For example, if they were raising money for a candidate whose position on textiles had favored the company they would solicit executives in the textile-oriented divisions of the company.

Executives said that when the lobbyists called them the lobbyists usually preceded their solicitations by telling them how much, to the penny, they had in their bank accounts.

It was when Pickard was asked how he knew that information that he disclosed that Boatmen's had regularly sent him the executives' bank statements.

In a second interview, he said he never had looked at the executives' bank statements but merely had forwarded them to the executives.

Asked later to resolve his conflicting statements, Pickard said he thought he had inspected the executives' statements, although he said his memory was hazy because that was some time ago.

A Boatmen's Bank spokesman, operations officer Joseph Winer, at first refused to comment on the handling of the statements, saying that the bank had a policy of not disclosing any information about a person's checking account.

Asked if the bank's sending of the statements to Pickard was consistent with that policy, he said Pickard's address must have been given by each executive as the address to which he wanted his statement sent. Pickard said that was not so.

After the policy of sending the bank statements to Pickard was stopped, the Washington lobbyist worked from a Monsanto computer printout that listed the name of each executive in the political plan and how much had been deducted for his contributions.

Then, Pickard said, when an executive promised to give to a particular candidate he would write this on the printout, giving him an idea of the executive's bank balance.

These printouts were also used at one time to determine which executives had not joined the plan, a source said. Letters were sent to executives not on the printout, pressuring them to join the plan.

Some employes supported the company position that the plan was totally voluntary and cited some evidence to back up their position.

Several noted that they had given to liberal causes like the American Civil Liberties Union out of their political contributions accounts and that they never had been criticized for it.

Another executive told of using some of the money from this account for personal expenses. He said he never had been told that he couldn't.

Many of these executives who believed the program was voluntary said they also believed its purpose was to further Monsanto's interests.

One said, "Monsanto has a general interest in this. They need friends. You need friends in order to work in this world. You can't imagine how friends help in Washington. I would imagine that Monsanto is more interested in friends, not ideology. But there is no pressure."

Another said, "Monsanto has for many years encouraged everyone to participate. It is a corporate objective and purpose. No one twisted my arm."

And another, in explaining why he thought he was asked to give to a candidate in Massachusetts, said, "It was for a Monsanto political contribution, that's all." Monsanto operates in Massachusetts.

Sommer said that before the present contributions plan was established, contributions had been handled on an informal basis.

"We set up the plan to make sure we weren't violating any laws," he said. "There always has been a strong emphasis on politician-giving at Monsanto. That comes from the time of Mr. Queeny." James F. Queeny was the founder of Monsanto.

In 1964 the Post-Dispatch reported that there was a committee of Monsanto executives that gave about $11,000 in political contributions in the 1962 elections. At the time the committee was breaking up.

Putzell said he did not remember details of the formation of the voluntary plan. He said that documents reflecting the origins had been destroyed just as all old documents at Monsanto have been.

Monsanto officers refused to say what total amount had been deducted from executives' salaries during the life of the political contributions plan. "These accounts are supposed to be confidential," public relations executive Tom C. Ford said.

The Post-Dispatch estimate that a minimum of $1,250,000 had been deducted since 196[illegible] was arrived at in this way:

Each executive is urged to have at least half of one per cent of his salary deducted and most executives say they follow the recommendation.

All of the executives in the plan have a salary of $20,000 a year or over. Half of one per cent of $20,000 is $100, meaning that the lowest paid executive in the plan has about $100 deducted from his pay each year for the plan.

Multiplying that figure times the 1800 employes in the plan and the seven years that the plan has been in existence results in the $1,250,000 figure. The total could be much higher because many executives are paid far more than $20,000.

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St. Louis Post Dispatch 8/24/75

St. Louis Post Dispatch
8/24/75

Political Fund Plans Of Three Companies

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at the company's behest. A former Bell executive said he was told he was being given $1000 of the company's money, which he was then asked to give back in contributions. Bell denied that, too.

How was the money distributed? Much of the Mercantile money was distributed in cash by a top company officer. The Monsanto and Bell officers wrote checks. The Monsanto lobbyists often personally delivered those checks to the candidates.

How did each executive decide whom to give his money to? Prospective candidates were suggested to Monsanto and Bell employes by company lobbyists. At Mercantile several ranking officers apparently selected the recipient.

How open was the political contributions plan? Mercantile's and Bell's were secret. Monsanto's was not secret but many executives said it was not the sort of thing one talked about.

Date _____

Monsanto Company
Manager, Payroll Data System
800 North Lindbergh Boulevard
St. Louis, Missouri 63166

Gentlemen:

I hereby authorize and direct Monsanto Company to:

(a) Withhold annually the lump sum of $_____ and to transmit the amount so withheld to my checking account number _____ in the Boatmen's National Bank of St. Louis, such amount for 19__ to be withheld from my last half of _____ payroll check and for each succeeding year from my last half February payroll check.

(b) Withhold $_____ per month from my end of month check each month beginning _____, 19__, and to transmit the amount so withheld to the Boatmen's National Bank of St. Louis for deposit by it in my checking account number _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing mailed or delivered to Monsanto Company at the address set forth above.

FEDERAL ELECTION COMMISSION
OFFICIAL FILE COPY
OFFICE OF GENERAL COUNSEL

_____
(Signature)

_____
(Name)

_____
(Division or Department, Company)

LETTER used by Monsanto employes authorizing the withholding of part of their paychecks for a political fund maintained at Boatmen's National Bank.

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