

The Political Fat Content in the Price of Milk

Part 83/72

It's always been hard for city slickers to understand the mysteries of milk price supports, but thanks to a report by staff writer Nick Kotz, it turns out that you don't have to know very much about cows after all in order to understand how the program works these days. The thing to remember, according to our reading of Mr. Kotz, is that milk price supports seem to be closely related to what can be called campaign *price supports*, which is to say to healthy contributions to the bulging campaign fund to re-elect President Nixon.

In fairness, it must be said that this crude explanation of the program is rejected by your United States Department of Agriculture, which maintains that the government's support price for manufacturing milk is computed solely on the basis of careful USDA analysis of market conditions. And indeed, that seemed to be the case back on March 12 of 1971, when Clifford M. Hardin, then Secretary of Agriculture, announced that the administration would *not* raise price supports. A USDA press release at the time said:

In making this announcement, the secretary said he realized that some dairymen believe that the support price should be increased. However, after careful review of the situation and the provisions of the law, Secretary Hardin declared that he felt today's action was in the long-term best interests of the dairy producers.

But almost the minute this word was out, the big dairy organizations did some raising of their own, jacking up their contributions to Republican political campaigns. In the days and months that followed, the total was to grow to more than \$300,000 poured into the GOP through all sorts of dummy organizations. Much of it was funneled through Harrison and Reeves, which happens to be the Washington law firm of Murray Chotiner, longtime confidant and aide to President Nixon; it happens, too, that Marion C. Harrison was Washington counsel for the American Milk Producers, Inc., at the time.

Yet it only took until March 25 for Secretary Hardin to announce that—yes—milk price supports would be raised after all. They would be raised from \$4.66 to \$4.93 per hundredweight. We don't know, of course, what the nation's cows did between March 12 and March 25 that might have caused such a dramatic reconsideration by the administration; but the dairy lobbyists have now

confirmed that they were quite busy in that period, which is what staff writer Kotz reported in detail.

While the big money began rolling in, legislation was introduced by 29 senators and 116 congressmen to raise the price support. Of these sponsors, 13 senators and 50 congressmen happened to have received \$187,000 in campaign contributions from the dairy groups in the previous three years. Moreover, officials of the dairy groups are not ashamed to take credit for influencing the administration. This is how William A. Powell, president of Mid-America Dairymen, Inc., put it in a letter to a member of his organization:

"The facts of life are that the economic welfare of dairymen does depend a great deal on political action . . . We dairymen as a body can be a dominant group. On March 23, 1971, along with nine other dairy farmers, I sat in the Cabinet room of the White House, across the table from the President of the United States, and heard him compliment the dairymen on their marvelous work in consolidating and unifying our industry and our involvement in politics. He said, 'You people are my friends and I appreciate it.'"

Only two days later the dairymen had something to appreciate: the price increase. Mr. Powell estimated that the administration decision would add from \$500 to \$700 million to dairy farmers' milk checks. "We dairymen cannot afford to overlook this kind of economic benefit," he wrote. "Whether we like it or not, this is the way the system works."

It is a grubby system. And it is particularly so when it includes the devious funneling of funds. Contributions were made out to GOP committees designated either by Mr. Chotiner or Mr. Harrison—dummy committees which under previous law never filed reports on their activities, and which in some cases had listed officers who swore they knew nothing about the money or the committees. But that seems to be a rule of the game, that people aren't supposed to know how the millions of dollars get into the hands of the campaigners for President Nixon.

As we have said before, the Republicans' secrecy on this issue as a whole is hardly conducive to any strengthening of public confidence in either the administration or the political system itself. And as more and more reports show campaign contributions rolling through one door and administration favors spilling out the other, public suspicion is bound to increase.