

Grand Jury Seeks Data

Nixon Faces New Subpoena In Milk Price Support Probe

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President Nixon will face a new subpoena from the federal grand jury investigating his controversial 1971 decision to increase milk price supports.

The subpoena could be issued this month, sources said. The White House has refused to supply some tape recordings and documents that Watergate Special prosecutors consider essential. A federal grand jury is studying the price support increase decision for possible violation of U.S. bribery and conspiracy laws.

Mr. Nixon ordered the higher price supports on March 23, 1971, after an intensive lobbying campaign by three dairy co-ops, including the Associated Milk Producers, Inc. which had promised the White House \$2 million for the President's re-election effort.

The campaign contributions started with \$10,000 from AMPI's political arm on March 22, 1971, and eventually totaled \$427,500. AMPI's support stopped the next year following a change of leadership in the giant co-op and the filing of a civil antitrust suit against it by the Justice Department.

According to Watergate Special Prosecutor Leon Jaworski, "the investigation of possible offenses arising out of these contributions is far from complete, and the White House refusal to produce the requested tape recordings and presidential documents will retard the scope of this investigation."

Once the inquiry is complete, however, it may produce another secret grand jury report dealing with the question of the President's possible involvement.

Like the Watergate grand jury's summary of evidence concerning Mr. Nixon's possible involvement in the Watergate cover-up, any new grand jury presentment would be accompanied by a request that it be turned over to the House Judiciary committee for its impeachment inquiry.

The grand jury conducting the milk-money inquiry has returned one indictment so far, accusing Texas lawyer Jake

Jacobsen of lying to it about an alleged \$10,000 payoff in connection with the price support decision.

A lawyer for AMPI at the time of the lobbying campaign, Jacobsen was charged with perjury for telling the grand jury that he put the \$10,000 in a safe deposit box and never touched it until FBI agents checked the box last fall, nearly 3½ years later.

The grand jury said it had evidence that Jacobsen got the money from AMPI—less than two months after the higher price supports were promulgated—"on the representation that such money was to be paid to a public official for his assistance in connection with the price support decision."

Mr. Nixon ordered the increase in milk price supports after a series of meetings at

the White House on March 23, 1971, first with dairy co-op representatives and then with senior administration advisers. The White House has acknowledged that the President was told in 1970 of AMPI's \$2 million pledge for his re-election campaign, but denies that this influenced him in any way.

The White House has said Mr. Nixon approved the increase because he felt Congress would require it by legislation anyway and because he felt he could not veto such a bill without alienating the farmers—"an essential part of his constituency."

Then Secretary of Agriculture Clifford Hardin promulgated the higher price supports on March 25, 1971. Earlier that month, on March 12, he had held they were not justified.