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Support For Milk Price Hike Netted \$2 Million

WASHINGTON (AP) — On the eve of the Nixon administration's 1971 increase in federal milk price supports, a former White House aide asked "the dairy industry to reaffirm its \$2-million 'commitment'" to the Nixon re-election campaign, according to lawyers for the House Judiciary Committee.

The assertion, based on evidence supplied by the Senate Watergate Committee, is contained in a letter which impeachment probers sent to the White House April 19 to back up their requests for 45 tape recordings and other material bearing on the milk-fund affair.

The letter said that former White House aide Murray M. Chotiner told some dairy cooperative leaders that President Nixon's chief domestic adviser at the time, John D. Ehrlichman, expected them to reaffirm their promise of campaign money "in light of a forthcoming increase in milk price supports."

"The dairy leaders did so," the letter said.

The next day, March 25, 1971, the Agriculture Department announced a price increase which President Nixon had ordered personally two days earlier, after a face-to-face meeting with a number of dairymen.

The White House denies that promises of campaign money were a factor in Nixon's decision to raise prices. It acknowledges that Nixon knew up to \$2 million had been promised, and said that "traditional political consideration," including pressure from Congress, influenced the price increase decision.

The pledges of campaign money came from top officials of Associated Milk Producers, Inc., on behalf of the nation's three largest dairy cooperatives, which represent farmers who produce about one-quarter of the U.S. milk supply.

The letter from the Judiciary

Committee was made public Friday through the office of Rep. Jerome Waldie, D-Calif., a member of the committee.

It came on the heels of a statement, attributed to a former lobbyist for Associated Milk Producers, saying top officials of the cooperative told him that the \$2 million commitment had been made "in conjunction with the 1971 price support" decision.

According to the letter, Ehrlichman contacted White House Special Counsel Charles W. Colson immediately after President Nixon ordered the price increase on March 23, 1971. Colson had been the principal contact in the White House for leaders of the milk producers.

The House letter said Colson then called Chotiner, who had left the White House to enter private law practice. At the time, Chotiner was receiving a \$50,000-a-year retainer paid by the milk producers.

Officials of the milk producers and other cooperatives met with Nixon on March 23, and then "engaged in all-night meetings ... at which they agreed to make political contributions to the President's re-election campaign and to contribute \$25,000 by the evening of March 24, 1971," the House letter said.

On the night of March 24, Chotiner and a large number of dairy cooperative officials attended a Republican fund raising dinner in Washington.

Sometime that night, the House letter said, "Mr. Chotiner stated to several dairymen

that Mr. Ehrlichman expected the dairy industry to reaffirm its \$2-million 'commitment' in light of a forthcoming increase in milk price supports. The dairy leaders did so."

Chotiner died Jan. 30. His former law partner, Marion Harrison, declined comment.

A former associate of Connally, Texas lawyer Jake Jacobsen, was indicted for perjury and accused of lying in testimony absolving Connally.

Friday, U.S. Dist. Court Judge George L. Hart Jr. dismissed the perjury indictment on technical grounds.