

Link Reported

A Milk Probe And Mitchell

Washington

Former Attorney General John N. Mitchell blocked a criminal investigation into alleged monopoly practices of a giant dairy cooperative that gave \$202,000 to President Nixon's campaign, according to reports from within the Justice Department.

Mitchell said through his attorney that he recalls no such incident. Several officials in the department's antitrust division were questioned about the reports, and would neither confirm nor deny them.

According to the reports, Mitchell vetoed a staff request for a grand jury investigation of the Associated Milk Producers, Inc., a Texas-based co-operative of 40,000 dairy farmers in 14 Midwestern states. A civil suit was later filed instead.

The milk producers and other dairy cooperatives gave at least \$427,000 to Mr. Nixon's campaign last year. Public interest groups have alleged, and the President has denied, that the administration's 1971 increase in milk prices was given as a payoff for these campaign gifts.

The new allegation that the milk producers also received favored treatment at the Justice Department is being investigated by the Senate Watergate committee and a Senate judiciary subcommittee.

Instead of criminal charges, the administration filed a civil antitrust suit Feb. 1, 1972, accusing the milk producers of using illegal monopoly tactics to gain a stranglehold on milk markets. The suit seeks a court order banning the practices, but no damages.

This procedure contrasts with earlier actions taken by the Justice Department against bakers in the Philadelphia and Baltimore areas and against milk processors in Washington state and Alaska.

In those cases the defendants were indicted, convicted and fined amounts ranging from \$52,000 to \$150,000.

Three sources said they had been told by Justice Department lawyers that staff members originally had urged criminal indictments against officials of the milk producers, and that the re-

commendation had been reversed at a very high level. Two of these sources said they were told the veto was cast by Mitchell.

The former head of the antitrust division, Richard W. McLaren, declined to comment on the matter. McLaren left the Justice Department the day after the milk producers suit was filed, and is now a federal judge in Chicago.

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